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# 1

# The Fall of the Soviet Union, Marxism, and Linear Versus Multilinear Historical Materialism: Debunking the Ortho-dogmatism of Steve Paxton's *Unlearning Marx*

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## Introduction

Few events in modern history have generated as much theoretical confusion as the collapse of the Soviet Union. For some, 1991 marked the definitive refutation of Marxism; for others, it signaled merely the end of one particular experiment in socialist construction. In recent years, however, a different interpretation has appeared: the claim that the fall of the USSR actually *vindicates* Marx's theory of history. One of the most elaborate expressions of this position comes from Steve Paxton's provocatively titled text – *Unlearning Marx: Why the Soviet Failure was a Triumph for Marx*. Paxton argues that Marx insisted socialism can only emerge from the fully developed contradictions of mature capitalism; because Tsarist Russia lacked such development, the Soviet project was doomed from the start. Its collapse, he concludes, confirms Marx rather than disproves him. The argument appeals to the sensibilities of a vulgarized interpretation of Marx's theory of history, found in both friends and foes of Marxism. It is, however, not new – versions of this "premature revolution" thesis have long circulated in Second International orthodoxy, Menshevism, and even parts of 20th-century Western Marxism. Yet its apparent plausibility rests on a vulgar, narrow, and outdated reading of Marx's theory of historical development.

What follows is a reconstruction of Marx's *actual* late-life position on multilinear development, with special attention to the Kovalevsky notebooks, the unsent letter to Mikhailovsky, the correspondence with Vera Zasulich, and the 1882 Russian preface to the *Communist Manifesto*. Read together, these texts show a Marx no longer bound to a rigid, stage-ist sequence – and fully open to the possibility that a pre-capitalist society might develop socialist relations by appropriating the technological achievements of capitalist production. Such a rethinking of historical materialism through a multi-linear lens demonstrates the many ways in which Soviet socialist construction was not a break with the fundamental points derived from Marx and Engels's historical materialism. This perspective debunks the foundational premises of Paxton's thesis and, by extension, how he understands the meaning of the Soviet Union's

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a few books, including *Marxism and the Dialectical Materialist Worldview* (2022), *The Purity Fetish and the Crisis of Western Marxism* (2023), *Why We Need American Marxism* (2024), and the two forthcoming texts, *Domenico Losurdo and the Marxist-Leninist Critique of Western Marxism* (2026) and *Hegel, Marxism, and Dialectics* (2026-7). Dr. Garrido has published over a dozen scholarly articles and over a hundred articles in popular settings across the U.S., Mexico, Cuba, Iran, China, Brazil, Venezuela, Greece, Peru, Canada, etc. His writings have been translated into over a dozen languages. He also writes short form articles for his Substack, @philosophyincrisis, and does regular YouTube programs for the Midwestern Marx Institute channel.

fall. This article concludes, in contrast to Paxton, by briefly outlining how Chinese Marxism has formulated the reasons behind the fall, or counterrevolution, in the Soviet Union.

## Paxton's Argument

In *Unlearning Marx: Why the Soviet Failure was a Triumph for Marx*, the philosopher Steve Paxton contends that the Soviet Union's dissolution vindicates historical materialism as the most accurate framework for understanding its rise and fall. For Paxton, the USSR lacked the capitalist foundation to build socialism. Paxton writes that "Marx repeatedly insists that socialism can only be built as a product of mature capitalism, and Tsarist Russia did not provide any such foundation."[2] Tzarist Russia, per Paxton, had not developed neither the social relations nor means of production sufficient enough to construct socialism, at least in accordance with the development Marx – for him – considered necessary. "Given that Russia in 1917 was one of the least advanced economies in Europe," Paxton says, "it's clear that, according to Marx's theory of history, a socialist revolution there could not succeed."[3] Therefore, had the Soviet experiment succeeded, it would've disproved Marx's theory of history – its failure, on the contrary, proves it correct: "Had the Soviet Union survived and gone on to produce a viable socialist society, then that would have embarrassed and discredited Marx's entire approach to historical change… Marx's work is vindicated by the Soviet failure to achieve socialism, and its eventual collapse."[4] For Paxton, then, the Soviets were not building socialism, but the preconditions for capitalism in Russia:

> *The "Soviet Union... must constitute some or all of Russia's transition from feudalism to capitalism – Russia's bourgeois revolution – regardless of any political ideology espoused by the Soviets during this period… The end result – the expropriation of the peasantry and the concentration of their scattered plots into large-scale farms – is right out of Marx's list of pre-requisites for the development of capitalism… By the time of Stalin's*

2. Steve Paxton, *Unlearning Marx: Why the Soviet Failure Was a Triumph for Marx* (Washington: Zero Book, 2021), 16.

3. Paxton, *Unlearning Marx*, 17.

4. Paxton, *Unlearning Marx*, 17, 18,

> *death in 1953 the economic conditions laid out by Marx as pre-requisites for the development of capitalism were all in place."*[5]

Paxton's argument is valid. If the premises are accepted, that is, if it is accepted that Marx held it necessary for socialism to be built only on the foundation of mature capitalism, then the demise of the Soviet state makes perfect sense from this reading of historical materialism. Given that the Soviets lacked the systemic foundation which was the basis for Marx's theory of the transition from capitalism to socialism (per official orthodoxy), its efforts at constructing socialism were simply a new warped form of achieving the preconditions for capitalism – i.e., for developing the so-called period of "primitive accumulation."

I will argue that although valid, Paxton's argument is not sound – it is based on faulty premises, on a doctrinaire reading of Marx's understanding of historical materialism that is ignorant of later developments in his life's work. Paxton's argument, therefore, is valid in the same way that the Mensheviks and the Second International were in their opinions of the Bolshevik Revolution – they all agree it was a premature revolution, that socialism could not be constructed by the simple fact that capitalism itself had not developed. If one is rooting themselves in the standard-linear reading of Marx's historical materialism, this position is correct.

## From Linear to Multi-linear Historical Materialism

The linear and stage-ist reading of historical materialism, however, is wholly incompatible with the developments that Marx and Engels make to the theory as they begin to look at societies outside of Western Europe. A good place to start looking at these later developments in Marx's thought is his notebooks on the Russian anthropologist Maksim Kovalevsky's (one of his close "scientific friends") book *Communal Landownership: The Causes, Course and Consequences of its Decline*.[6] The understudied character of these manuscripts is due to the fact that it had, until almost a decade ago, been only available to

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5. Paxton, *Unlearning Marx*, 27, 30.

6. Karl Marx, "Letter to Nikolai Danielson (September 19, 1879)," *MECW Vol. 45* (Moscow: Progress Publishers, 1991), 405. Marx's letters to Kovalevsky have not been preserved because a colleague of the Russian historian destroyed them for fear that the police would find them in a raid. It would also be good to look at the 1972 Lawrence Krader publication of *The Ethnological Notebooks of Karl Marx*, containing his notebooks on Lewis

those who could access the B140 file of Marx's work in the International Institute of Social History in the Netherlands. This changed with the Spanish publication in Bolivia of *Karl Marx: Escritos sobre la Comunidad Ancestral* (*Writings on the Ancestral Community*) which contained Marx's "Cuadernos Kovalevsky" (Kovalevsky Notebooks).

In these notebooks Marx critiques his friend's assessments of Pre-Columbian America (Aztec and Inca empires) and India. Marx felt that Kovalevsky, instead of concretely studying the development of these societies, simply projected European categories to these regions. As Marcello Musto, who has written the most influential recent scholarship on the subject has noted, "Marx was highly skeptical about the transfer of interpretive categories between completely different historical and geographical contexts… [and] reproach[ed] him [Kovalevsky] for homogenizing two distinct phenomena."[7] In these studies we find a Marx that is not fixated on the schema he had outlined for Western Europe, a Marx that is much more open to accepting different civilizational paths to socialism that do not have to traverse through the three modes of class society seen in the West (slavery, feudalism, and capitalism). This represents a development of the views he and Engels had formulated as early as the middle of the 1840s, where the specifically Western European path to socialism from class society was considered to be a global phenomenon.

Interestingly, Paxton's linear reading is also shared – incorrectly in my view – by Stalin in his *Dialectical and Historical Materialism*, where he outlines the "five *main* types of relations of production that are known to history: primitive communal, slave, feudal, capitalist and socialist."[8] There is, in my estimation,

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Henry Morgan's *Ancient Society,* John Budd Phear's *The Aryan Village,* Henry Sumner Maine's *Lectures on the Early History of Institutions,* and John Lubbock's *The Origin of Civilisation.* Out of these by far the most important was Morgan's text, which would transform Marx's views on the family from being the "social unit of the old tribal system" to being the "germ not only of slavery but also serfdom." Karl Marx, *The Ethnological Notebooks of Karl Marx*, ed. Lawrence Krader (Assen: Van Gorcum, 1972), 120. Morgan's text would also strengthen the view on the state Marx had since his 1843 *Critique of Hegel's Philosophy of Right*, namely, that the state is a historical (not natural) "power subjugating society, a force preventing the full emancipation of the individual." Marcelo Musto, *The Last Years of Karl Marx* (Stanford: Stanford University Press, 2020), 31. The state's nature, as Marx and Engels thought and Morgan confirmed, is "parasitic and transitory." Musto, *The Last Years of Karl Marx*, 31. The studies of Morgan's *Ancient Society* and other leading anthropologist would also be taken up by Engels who, pulling from some of Marx's notes, would publish in 1884 *The Origins of the Family, Private Property, and the State*, a seminal text in the classical Marxist corpus.

7. Musto, *The Last Years of Karl Marx*, 20.

8. J. V. Stalin, *Dialectical and Historical Materialism* (New York: International Publishers, 1972), 34.

no clear difference in Stalin and Paxton's understanding of Marx's theory of historical development – both accept a linear and stage-ist conception of historical materialism. Their difference is in how they would – in their analysis of the real world – understand how these stages have developed in Russia. Stalin, basing himself on Lenin's first major work, *The Development of Capitalism in Russia*, would argue that enough of the foundations of capitalism had already been rapidly developed in backwards Russia to justify the historical transition into socialism. Paxton, on the other hand, would argue that even the preconditions for capitalism had yet to develop in Russia, and that what the Soviet's did – under the idea of "building socialism" – was actually develop such preconditions. The sociologist and former Vice-President of Socialist Bolivia, Álvaro García Linera, teases out such similarities between the traditional Second International interpretation, Stalin's, and even Trotsky's in his introduction to the *Cuadernos Kovalevsky*:

> *We see in Marx a conception of historical development that is antagonistically different from the linearist, schematic, and rugged racist schemes with which representatives of the Second International characterized historical development and which were later continued by Stalin in his famous text* Dialectical and Historical Materialism*, and in all the manuals of Marxist 'dissemination'... According to these [Stalinist] manuals, history knows five progressive modes of production that all peoples would have invariably had to go through... In the two forms in which it appeared, Trotskyist and Stalinist... they shared (and share) the same distortions... in the field of the conception of history they shared... the same linear and gradualist schema canonized by Stalin and popularized by the famous manuals of economics and philosophy. Diametrically opposed to these reactionary schemes, Marx's revolutionary thought instead propelled an understanding that social history had advanced... through multiple paths of development… [Marx] never tried to sacralize the 5 modes of production [and] pointed out the existence of other possible forms of production [such as] the Inca community [which] was neither slavery, nor feudalism, nor a primitive community, but rather a form of development/dissolution of the primordial community.*[9]

For Linera, then, Paxton's argument treads in the same schematism as the worst intellectual follies of not just Stalin and Trotskyism, but also of the Second

9. Álvaro García Linera, "Introduction to the Kovalevsky Notebooks of Karl Marx," In *Escritos Sobre La Comunidad Ancestral* (La Paz: SOIPA Ltda, 2015), 106,107, 110.

International. While, of course, I am completely aligned with the "Stalinist" tradition – even if I would not classify myself as such[10] – it is clear, in my mind, that regarding the linear understanding of historical materialism, I am in full agreement with Linera: Stalin's conception falls as short as the Second International, Trotsky's, and, I would add, Paxton's.

In addition to the Kovalevsky notebooks, Marx's engagements with the unique circumstances in Russia are much more well known. In 1869 Marx began to learn Russian "in order to study the changes taking place in the tsarist empire."[11] All throughout the 1870s he dedicated himself to studying the agrarian conditions in Russia. As Engels jokingly tells him in an 1876 letter after Marx recommended him to take down Eugene Dühring,

> *You can lie in a warm bed studying Russian agrarian conditions in general and ground rent in particular, without being interrupted, but I am expected to put everything else on one side immediately, to find a hard chair, to swill some cold wine, and to devote myself to going after the scalp of that dreary fellow Dühring.*[12]

Out of his studies, he held the Russian socialist philosopher Nikolai Chernyshevsky in highest esteem. He said he was "familiar with a major part of his writing" and considered his work as "excellent."[13] Marx even considered "publishing something" on Chernyshevsky's "life and personality, so as to create some interest in him in the West."[14] Concerning Chernyshevsky's work, what influenced Marx the most was his assessment that "in some parts of the world, economic development could bypass the capitalist mode of production and the terrible social consequences it had had for the working class in Western Europe."[15] This is a Marx that is very far away from the one Paxton presents.

The Chernyshevsky that Marx appreciated the most held that:

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10. Mainly because I don't think "Stalinism" is a tradition. "Stalinism" is nothing but a liberal-left buzzword. The tradition is Marxism-Leninism, which Stalin not only was a part of, but made the first inroads in synthesizing with the lectures he gave following Lenin's death. These were collected into what today is the book, *Foundations of Leninism*.

11. Musto, *The Last Years of Karl Marx*, 12.

12. Friedrich Engels, Letter to Marx (May 28, 1876), *MECW Vol. 45*, 122.

13. Karl Marx to Nikolai Danielson (18 January 1873*), MECW Vol. 44*, 469. Karl Marx to Sigfrid Meyer (21 January 1871), *MECW Vol. 44*, 105.

14. Karl Marx to Nikolai Danielson (12 December 1872), *MECW Vol. 44*, 457.

15. Musto, *The Last Years of Karl Marx*, 50,

> *When a social phenomenon has reached a high level of development in one nation, its progression to that stage in another, more backward nation may occur rather more quickly than it did in the advanced nation.*[16]

For Chernyshevsky, the development of a 'backwards' nation did not need to pass through all the "intermediate stages" required for the advanced nation; instead, he argued "acceleration takes place thanks to the contact that the backward nation has with the advanced nation."[17] History for him was "like a grandmother, terribly fond of its smallest grandchildren. To latecomers it [gave] not the bones but the marrow."[18] In other words, one could have the fruits of capitalist development (that is, the development of the means of production) without necessarily going through the same process that it took for such development to initially arise. Socialism, for Chernyshevsky (and, as I will argue, for Marx), required the industrial development that capitalism produced – yes, but it did not necessarily require capitalism to produce it, especially once what is produced already exists. Perhaps historically capitalism was necessary to bring about these developments – but once they are in existence, areas of the world that are not capitalist do not need to go through capitalism in order to achieve an advanced socialist society, they simply need to find ways to gain access to the technological development and advanced resources that the system has produced. This implies, of course, an understanding of these means of production as concrete universals, that is, as productive technologies and resources that could be employed under different relations of production which could determine in varied ways how they function. Under a capitalist mode of life, a CNC Machining Center is the locus for exploitation and the enrichment of the capitalist. Under a socialist one, it could be used to lower work hours and produce for use, not profit.

This is, for instance, what animates the spirit of Lenin during the NEP – it is not a turn away from the construction of socialism to building capitalism, it is using the control that socialism, i.e., the dictatorship of the proletariat, affords in terms of planning to regulate the process of acquiring the fruits of development that capitalist countries received after centuries. Lenin's NEP was simply

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16. Nikolai Chernychevsky, "Kritika filosofskikh preubezhdenii protiv obshchinogo vladeniya [Critique of philosophical prejudices against communal ownership of the land]," In Chernyshevsky, *Sobranie Sochinenii*, 4;424-475, (Moscow: Ogonyok, 1974), 404–405.

17. Chernychevsky, "Critique of philosophical prejudices against communal ownership of the land," 404-405.

18. Chernychevsky, "Critique of philosophical prejudices against communal ownership of the land," 184-190.

operating in the spirit of Chernyshevsky, he was trying to receive the marrow of capitalist development (advanced industry), and not the hard bones. In this way, pre-capitalist societies (with a communistic form of social intercourse) could leap to socialism only if they're able to obtain the technological development in the forces of production that capitalism has brought about. Such development does not necessarily imply that it is capitalist in character, as Paxton suggests.

The comparison of the primitive accumulation of capitalism, where the commons were enclosed and privatized, with the process of collectivization in the Soviet Union could not be farther away from each other. Primitive accumulation for capitalism required privatization of common resources, collectivization required the socialization (or nationalization) of private resources. Yes, for the peasantry there was a change in ownership structure – the feudal peasants in Europe who worked the land collectively were pushed out, proletarianized, and had their fields used to produce surplus for the capitalist class.[19] For the Russian peasant, their private fields were socialized so that agricultural production could be industrialized, ushering in an increased productivity and production methods to not only create more resources for the socialist state, but create the conditions for the abolition of the frequent famines that occurred in these areas of Russia, Ukraine, etc.[20] There is little disagreement that I have encountered in the scholarship, both critical and supportive of collectivization, as to what it essentially constituted. As Sheila Fitzpatrick, a historian fiercely critical of Stalin, writes: "the regime's own strategy for collectivization involved violence, namely the expropriation and deportation of hundreds of thousands of *kulak* (prosperous peasants) households" for the sake of creating "new collective farms" that could "increase grain procurement and reduce the peasants' ability to withhold grain from the

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19. For Marx, primitive accumulation is the dual process of enclosure in Europe, that is, the privatization of common lands (the 'commons'), and the process of European colonization, the later which is intertwined to the African slave trade. Marx, *Capital Vol. 1*, 915, 886. Ian Angus writes that "a frequent focus of enclosure was the privatization of previously unallocated land that provided pasture, wood, peat, game, and more." Ian Angus, *The War Against the Commons: Dispossession and Resistance in the Making of Capitalism* (New York: Monthly Review, 2023), 65.

20. Multiple famines had already occurred in the Soviet Union before 1933, and Stalin, who wrote a text based on his experience with them, located their fault not just on natural conditions, but on the backwardness of agricultural production – a system the Bolsheviks inherited from the previous Russian regimes (which itself dealt with periodical famines). This is why collectivization and industrialization were central for Stalin – they would be the precondition for avoiding future famines, as historically was the case. Mark B. Tauger, "Stalin, Soviet Agriculture, and Collectivization," In: Trentmann, F., Just, F. (eds) *Food and Conflict in Europe in the Age of the Two World Wars* (London: Palgrave Macmillan, 2006), 112, 116-8, 124, 137.

market."[21] Making collective, industrialized farms out of the expropriated lands of wealthy peasants is as opposite to capitalist primitive accumulation as one could possibly get. In fact, it seems to be a lot more in line with Marx's vision, toward the end of *Capital Vol. 1*, of the "expropriators [being] expropriated" than the market NEP measures that collectivization came to replace.[22]

While there is a similar process of industrializing agricultural production and proletarianizing the peasantry, it would be incorrect to say that these are the same. What is at stake here, in my view, is how industrial modernization is going to be understood. If it is understood as an abstract universal, the differences in context, social relations, and consequences are ignored, and processes as different as the privatization of the commons and the socialization of private farms will be considered the same. If this process is understood through a framework that treats the economic development present in industrial modernization as a universal institutional form, capable of being realized by social logics (particular social systems) other than the one it originally arose with historically (capitalism), then there could be little question about the unique characteristics of Soviet modernization. When you understand that such a process cannot be flattened and reduced to merely one form through which it occurred, you can grasp the nuances in how, under a different form of life, the same fundamental process of industrial modernization could look radically different. Paxton, in my view, continues to operate under an abstract universal understanding of this phenomenon, which is why he is forced to collapse together such radically different forms of industrial modernization as those which occurred in the transition to capitalism in Europe, and that which occurred in the first decades of the Soviet experiment in socialism. The differences that are conjoined to their similarities, in other words, are differences that make a difference, that demarcate *qualitatively different* types of processes. For capitalist development, these processes were aimed at the acceleration of capital accumulation in private hands. For Soviet development (which I would consider socialist in character), these processes tended toward doing precisely what Marx expected if a society wanted to leap from pre-capitalist to socialist, namely, develop the productive forces to create preconditions for the construction of communism.

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21. Sheila Fitzpatrick, *Stalin's Peasants: Resistance and Survival in the Russian Village After Collectivization* (New York: Oxford University Press, 1994), 3-4.

22. Karl Marx, *Capital: A Critique of Political Economy, Volume I*, trans. Ben Fowkes (London: Penguin Classics, 1990), 929.

Paxton, then, is right to see that there are preconditions being created in each instance. The difference, in my view, is that in the European context it is the preconditions for capitalism, in the Soviet context, in the absence of a matured capitalism, it is the preconditions for a more advanced stage of socialism. The latter can be considered capitalist preconditions only if one accepts, on the basis of the framework of abstract universality, that for Marx, capitalism as a form of life – not simply the development that it brought about in the forces of production – is a precondition for socialism. But this, in my view, does not measure up to Marx's assessments of societies outside of Western Europe. Chernyshevsky's assessment, therefore, began to open Marx to the possibility that under certain conditions, capitalism's universalization was not necessary for a socialist society. This was an amendment, not a radical break (as certain third world Marxists and transmodernity theorists like Enrique Dussel have argued) with the traditional Marxist interpretation of the necessary role capitalism plays in creating, through its immanent contradictions, the conditions for the possibility of socialism.

## Marx and the Russian Commune (*Obshchina*)

In 1877 Marx wrote an unsent letter[23] to the Russian paper *Patriotic Notes* replying to an article entitled "Karl Marx Before the Tribunal of Mr. Zhukovsky" written by Nikolai Mikhailovsky, a literary critic of the liberal wing of the Russian populists. In his article Mikhailovsky argued that

> *A Russian disciple of Marx… must reduce himself to the role of an onlooker… If he really shares Marx's historical-philosophical views, he should be pleased to see the producers being divorced from the means of production, he should treat this divorce as the first phase of the inevitable and, in the final result, beneficial process.*[24]

This was not, however, a comment from left field. Most Russian Marxists at the time also thought the Marxist position was that a period of capitalism was

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23. I have not been able to trace out any scholarship which explains why the letter was not sent. Musto, whose book focuses intensively on this question, does not mention any reasons for why this was left unsent.

24. Nikolai Mikhailovsky, "Karl Marks pered sudom g. Yu. Zhukovskogo" [Karl Marx before the tribunal of Mr. Yu. Zhukovsky], in Mikhailovsky, Sochinenija, vol. IV (St. Peterburg: B. M. Vol'f, 1897), 171, quoted from the translation in Andrzej Walicki, *Controversy over Capitalism: Studies in the Social Philosophy of the Russian Populists* (Oxford: Clarendon Press, 1969), 146.

necessary for socialism to be possible in Russia. This is why Paxton's views are a modern variation of this older orthodox position common to the parties of the Second International. Further, Marx had also polemicized in the appendix to the first German edition of *Capital* against Alexander Herzen, a proponent of the view that "Russian people [were] naturally predisposed to communism."[25] Therefore, the Russian Marxists thought he was clearly critical of the left-populist position of jumping to socialism. His unsent letter, nonetheless, expresses a different sentiment than what the Russian Marxists would have expected. In the letter he criticizes Mikhailovsky for "transforming [his] historical sketch of the genesis of capitalism in Western Europe into a historico-philosophical theory of the general course fatally imposed on all peoples, whatever the historical circumstances in which they find themselves."[26] This is the same critique, in essence, he makes of Kovalevsky – they abstract the categories Marx develops in the context of Western Europe to then apply it to regions of the world that have not had the same level of refined and scrutinized study as what Marx provided for Western Europe. It was a lazy copy-paste strategy of analysis, where it was assumed that what was true for one region was so for another. This could have been the case, but whether it was or not is an answer that is verified through study, not through abstractly universalizing conclusions that were rooted in the particular investigation of Western Europe.

It is in this context that the famous 1881 letter from the Russian revolutionary Vera Zasulich must be read. In this letter she asks him the "life or death question" upon which his answer the "personal fate of [Russian] revolutionary socialists depended."[27] The question centered around whether the Russian *obshchina* (the commune) is "capable of developing in a socialist direction."[28] On the one hand, a faction of the populists argued that the *obshchina* was capable of "gradually organizing its production and distribution on a collectivist basis," and that hence, socialists "must devote all [their] strength to the liberation and development of the commune."[29] On the other hand, Zasulich mentions that those who considered themselves Marx's "disciples par excellence" held the view that "the commune is destined to

25. Musto, *The Last Years of Karl Marx*, 61.

26. Marx, "Letter to Otechestvennye Zapiski," *MECW Vol. 24* (Moscow: Progress Publishers, 1989), 200.

27. Vera Zasulich, "A Letter to Marx," in Theodor Shanin, "Late Marx and the Russian Road," in *Late Marx*, ed. Teodor Shanin (London: Routledge, 1984), 98–99.

28. Zasulich, "A Letter to Marx."

29. Zasulich, "A Letter to Marx."

perish," that capitalism must take root in Russia for socialism to become a possibility.[30] Marx was, hence, forced to answer the basic question that Paxton proposes in his text: is it possible to leap from a pre-capitalist social formation to a modern socialism? Or is a maturation of the capitalist mode of life the only way that the conditions for socialism could be developed?

Marx drew up four draft replies to Zasulich, three long ones and the final short one he sent. In his reply he repeated the sentiment he had expressed in his unpublished reply of Mikhailovsky's article, namely, that he had "expressly restricted… the historical inevitability' of the passage from feudalism to capitalism to 'the countries of Western Europe.' "[31] If capitalism took root in Russia, Musto writes, "it would not be because of some historical predestination."[32] It was then, he argued, completely possible for Russia – through the *obshchina* – to avoid the fate history afforded Western Europe. If the *obshchina*, through Russia's link to the world market – "appropriate[d] the positive results of [the capitalist] mode of production, it is thus in a position to develop and transform the still archaic form of its rural commune, instead of destroying it."[33] In essence, if the internal and external contradictions of the *obshchina* could be sublated through its incorporation of the advanced productive forces that had already developed in Western European capitalism, then the *obshchina* could develop a socialism grounded on its appropriation of productive forces in a manner not antagonistic to its communistic social relations. Marx would then, in the spirit of Chernyshevsky, side with Zasulich on the revolutionary potential of the *obshchina* and argue for the possibility of Russia not only skipping stages but incorporating the productive fruits of Western European capitalism while rejecting its evils. This sentiment is repeated in his and Engels' preface to the second Russian edition of the *Manifesto of the Communist Party*, which would be published on its own in the Russian populist magazine *People's Will*.[34]

Paxton addresses these texts but completely distorts their meaning, separating one sentence in the sent letter from both the rest of the letter, and from the context in which, in the other unsent letters, the wording he cites is explained. Paxton writes the following: "Marx rejects the idea that Russia may be able to

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30. Zasulich, "A Letter to Marx."

31. Karl Marx, "Drafts of the Letter to Vera Zasulich: Second Draft," *MECW Vol. 24*, 360. Musto, *The Last Years of Karl Marx*, 65.

32. Musto, *The Last Years of Karl Marx*, 65.

33. Marx, "Second Draft," *MECW Vol. 24*, 362.

34. Musto, *The Last Years of Karl Marx*, 72.

skip the capitalist stage of development, stating that the peasant commune must 'be assured the normal conditions for spontaneous development.' "[35] This is a complete misreading of the last paragraph in the sent letter, which states the following:

> *The analysis in* Capital *therefore provides no reasons either* for or against *the vitality of the Russian commune. But the special study I have made of it, including a search for original source material, has convinced me that the commune is the* fulcrum for social regeneration *in Russia. But in order that it might function as such, the* harmful influences assailing it on all sides must first be eliminated*, and it must then be assured the normal conditions for spontaneous development.*[36]

He is quite explicitly saying that *Capital* does not consider that the Russian commune *must* go through capitalism in order to get to socialism. This paragraph comes shortly after Marx had already said that "the 'historical inevitability' of this course [that is, of capitalism] is therefore *expressly* restricted to *the countries of Western Europe*.' "[37] Marx, in the same letter Paxton cites, explicitly says that the historical inevitability of the capitalist form of life is restricted to Western Europe. This is not Marx affirming that capitalism will not spread, but simply that there is nothing pre-ordained (i.e., inevitable) about it doing so in order for socialism to arise. He argues that this is because Western Europe had a long period of " '*Private property*, founded upon personal labour," which was "supplanted by *capitalist private property*."[38] But these were not the conditions that the Russian economy found itself in, and there is nothing indicating that to get to socialism, it would need to traverse these two systemic steps (i.e., private property and capitalist private property). When Paxton cites Marx talking about "normal conditions for spontaneous development" this does not mean going through all the steps he observed in Western Europe. Not only because this would contradict that which he stated just on the prior paragraph, but also because in the first letter he tells us explicitly what he means by this phrase "normal conditions": "The economic need would make itself felt in the 'rural commune' as soon as it is placed under *normal conditions* – that is to say, as soon as its

35. Paxton, *Unlearning Marx*, 17.

36. Marx, "First Letter Draft to Zasulich," In *Late Marx and the Russian Road: Marx and 'The Peripheries of Capitalism'*, Ed. Teodor Shanin (New York: Monthly Review, 1983), 124.

37. Marx, "Final Letter to Zasulich," 124.

38. Marx, "Final Letter to Zasulich," 124.

*burdens are lifted and its land for cultivation expands to a normal size*."[39] The "normal conditions" refers to the elimination of the burden of debt and the development of the small commune into large scale production, not to the need to traverse through capitalism. Here is Marx explicitly saying that the Russian commune does not need to die off, that socialism can be built on its basis if it is capable of inheriting the technological developments of the capitalist West, and expanding their relations of production into large scale agricultural production:

> *While it has in common land ownership the natural basis of collective appropriation, its historical context – the contemporaneity of capitalist production – provides it with ready-made material conditions for huge-scale common labour. It is therefore* able to incorporate the positive achievements of the capitalist system, without having to pass under its harsh tribute. *The* commune may gradually replace fragmented agriculture with large-scale, machine assisted agriculture particularly suited to the physical configuration of Russia. *It may thus become the direct* starting-point of the economic system towards which modern society is tending [i.e., socialism]*; it may open a new chapter that* does not begin with its own suicide.[40]

This is simply a restatement of the sentiment he expressed in the unsent letter to Mikhailovsky, which was based on what he took in from Chernyshevsky. The "positive achievement" of the capitalist system is the technological means of production, the "ready-made material conditions for huge-scale common labor," and the "harsh tribute" is the capitalist relations of production upon which that development initially occurred. However, it was not inevitable for the commune to undergo this development – it was simply a historical possibility Marx was not ready to discard. Central for this transition into socialism was having a Russian revolution. As Marx wrote, "To save the Russian commune, there must be a Russian Revolution."[41] This is what took place in 1917.

Paxton's second point, based on the 1882 preface to the Russian edition of the *Manifesto*, is also confused.[42] He cites Marx, who says the following: "can the Russian obshchina… pass directly to the higher form of Communist common

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39. Marx, "First Letter Draft to Zasulich," 106.
40. Marx, First Letter Draft to Zasulich," 111-2.
41. Marx, "First Letter Draft to Zasulich," 116.
42. Paxton, *Unlearning Marx*, 18.

ownership? Or, on the contrary, must it first pass through the same process of dissolution such as constitutes the historical evolution of the West? The only answer to that possible today is this: If the Russian Revolution becomes the signal for a proletarian revolution in the West, so that both complement each other, the present Russian common ownership of land may serve as the starting point for a communist development."[43] Here Marx makes it clear – to advance to a "higher form of communist common ownership" a Russian revolution must be accompanied by revolutions in the advanced capitalist West. But this point isn't simply specific to Russia – for an advanced form of communism *anywhere* to take shape would presuppose the success of socialism internationally, that is, the defeat of global capitalist-imperialism. What the Soviet Union was constructing was not an advanced communist society – it was always cognizant of the fact that it was merely building that intermediary stage before communism – socialism – that stage which builds itself up to having communism as a real historical possibility.

Paxton is not wrong to suggest that, had revolutions spread across Europe and America, the Russian revolution would have been more likely to survive. It is, in my view, clear that the constant siege the Soviets were under was one of the central factors behind the collapse. But we should not go from this to the fatalistic conclusion that it was bound to fail because of the absence of the European revolutions. While Marx is certainly explicit about this component, he also prefaced it by saying "the only answer to that *possible today*" – that is, by making it a point that this assessment is rooted in the context of 1882. Had the possibility of a context like we saw in the 1970s and 80s, when over a third of the world lived under a government that considered itself explicitly socialist or Marxist-Leninist, been present to Marx, I think such a context would be different enough from 1882 to warrant rethinking the Western thesis.[44] Marxism, in my view, loses its dialectical foundation if it commits itself to dogmatically accepting as universally true conclusions arrived at by Marx and Engels which were specific (often self-admittingly, as is the case here) to their historical context. The spread of socialist and anti-colonial revolutions across the global south (Asia, Latin America, and Africa) provided – in my view – a supplement to the absence of revolutions in the West, a supplement which Marx, working within the confines of his time, was unable to foresee. In other

43. Marx and Engels, "Preface to the Second Russian Edition of the *Manifesto of the Communist Party*," In *MECW Vol. 24*, 426.

44. Let us also not forget that, assuming a very strict definition of what the "West" was for Marx, there was one country which undoubtably was in the West and which was socialist – the German Democratic Republic.

words, the necessity of revolutions occurring in the West was supplemented by the reality of revolutions occurring all across the Global South and East.

Marx, therefore, already answered Paxton's question: he held that the principal condition through which a pre-capitalist society could advance toward socialism without a prolonged period of capitalism is only through obtaining the technological fruits of capitalism without developing capitalist social relations as dominant. This is what, in my view, Stalin's collectivization was. It was not a capitalist "primitive accumulation," it was a new paradigm for industrialization and obtaining the industrial and technological fruits that had already been developed in the capitalist West. There is nothing in this process that would suggest a break from Marx's understanding of how the transition to socialism could look outside of Western Europe. It is insufficient, in my view, to argue that the Soviet Union fell simply because capitalism had not developed before the Bolshevik revolution. This ignores a host of other factors that are important to understand: the external pressure of imperialist hybrid warfare, the ideological degeneration and historical nihilism that develops in the period of de-Stalinization, and how these are the background for the rise of the ultimate revisionism in the party, the rule of Gorbachev, whose contingent errors even anti-communist historians like Vladislav M. Zubok hold were central to the dissolution of the state.[45]

## How Chinese Marxism Understands the Fall of the USSR

After demonstrating the dogmatic assumptions and conceptual confusions that underlie Paxton's interpretation of the Soviet collapse, it is fitting to conclude by briefly noting how contemporary Chinese Marxist scholars – whose country has undertaken the most extensive practical and theoretical study of the Soviet experience – have understood the fall of the USSR. Few have examined the rise, degeneration, and ultimate dissolution of the Soviet project more closely than Chinese Marxists, not only for historical reasons but because the question of *how a socialist state collapses* remains of direct relevance to China's own socialist construction. Among the most influential analyses is that of Cheng Enfu and Liu Zixu, who identify three decisive causes of the Soviet Union's

45. For a more thorough assessment of the collapse/overthrow/counterrevolution in the USSR, see: Roger Keeran and Thomas Kenny, *Socialism Betrayed: Behind the Collapse of the Soviet Union* (New York: International Publishers, 2004). For an assessment of the governmental blunders of the Gorbachev regime, see: Vladislav M. Zubok, *Collapse: The Fall of the Soviet Union* (New Haven: Yale University Press, 2021).

demise: ideological, organizational, and political. Their account stands in sharp contrast to Paxton's ortho-dogmatic reading:

1. Ideological Causes: Cheng and Liu identify ideological collapse as the fundamental reason for the Soviet Union's dissolution. They argue that the crisis began with Khrushchev's 20th Congress denunciation of Stalin, which "split society into two camps: Stalinists and anti-Stalinists" and initiated a "chaos of ideas" inside the CPSU.[46] This ideological fracturing destroyed the "spiritual pillar of the country," as Brezhnev merely "filled the cracks with red paint" without solving the deeper theoretical disorientation.[47] Under Gorbachev, this ideological confusion metastasized into full abandonment of Marxism: his advocacy of "democratization," "openness," and the repudiation of socialism systematically delegitimized Marxist theory and replaced it with Western liberal narratives.[48] As they conclude, the Soviet leadership's betrayal of Marxism "created long-term ideological chaos, which constituted the theoretical foundation and ideational precursor" of the final collapse.[49]

2. Organizational Causes: The second major cause was organizational dysfunction, rooted in decades of flawed cadre policy. Cheng and Liu argue that "the large number of non-Marxist cadres that the CPSU promoted and placed in important positions" led to systemic malfunctioning that could not be corrected in time.[50] Undemocratic selection procedures "gradually allowed non-Marxist cadres to take over leading positions within the CPSU," weakening the party's capacity to defend socialism.[51] The most disastrous outcome of this mechanism was that "Gorbachev and Yeltsin" were able "to climb to the top leadership," using cadre policy itself as a tool for "stealing power and betraying Marxism and socialism."[52] Once in power, Gorbachev "replaced large numbers of party, political and military leaders with anti-CPSU and anti-socialist cadres or cadres

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46. Cheng Enfu and Liu Zixu, "The Historical Contribution of the October Revolution to the Economic and Social Development of the Soviet Union—Analysis of the Soviet Economic Model and the Causes of Its Dramatic End," *International Critical Thought* 7, no. 3 (2017): 297–308, https://doi.org/10.1080/21598282.2017.1355143, 304.

47. Cheng and Liu, "Historical Contribution of the October Revolution," 305. See "Uroki XX s'ezda" (Lessons of the 20th Congress). http://www.orossii.ru/2006-09-29.

48. Cheng and Liu, "Historical Contribution of the October Revolution," 305.

49. Cheng and Liu, "Historical Contribution of the October Revolution," 305.

50. Cheng and Liu, "Historical Contribution of the October Revolution," 305.

51. Cheng and Liu, "Historical Contribution of the October Revolution," 305.

52. Cheng and Liu, "Historical Contribution of the October Revolution," 305-6.

with ambivalent positions."[53] This organizational corrosion laid the structural foundations for the political shift that ultimately destroyed the Soviet state.

3. Political Causes: Cheng and Liu identify political betrayal – particularly Gorbachev's line of "perestroika and new thinking" – as the direct and fatal cause of the USSR's collapse. In their account, the CPSU leadership "betrayed Marxism and socialism" in its political practice, and the damage "could not be overcome" within the existing centralized political system.[54] Gorbachev and Yeltsin advanced a program that openly rejected the socialist project, preparing "a well-developed explanation for their betrayal of socialism, the party and the people."[55] They exploited the Soviet Union's centralized political mechanisms to dismantle socialism from above, acting in the interests of capitalist restoration. As the authors conclude, "the group headed by Gorbachev and Yeltsin" used the political system itself "in order to betray Marxism, socialism and the fundamental interests of the vast majority of the people."[56] This constituted the political root and immediate cause of the Soviet Union's dramatic dissolution.

Such an account of the internal reasons behind the Soviet Union's fall – or, better yet, the counterrevolution and overthrow of the Soviet Union – stands in sharp contrast to Paxton's ortho-dogmatic account, which merely replaces the rigorous study of the internal contradictions behind the overthrow of the USSR with rehashed narratives from a bygone Second International Marxism. Chinese Marxists have not resorted to vulgar orthodox schemas to explain the collapse of the Soviet experiment – they have actually studied the concrete concretely and have derived the necessary insights from where the Soviet project failed. Such insights have been crucial in preventing Chinese socialism from going down the same route as the USSR.

53. Cheng and Liu, "Historical Contribution of the October Revolution," 306.
54. Cheng and Liu, "Historical Contribution of the October Revolution," 306.
55. Cheng and Liu, "Historical Contribution of the October Revolution," 306.
56. Cheng and Liu, "Historical Contribution of the October Revolution," 306.

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# Re-Proletarianization Series, Part Two: The Dialectics of Abstract and Concrete in Lenin's *Imperialism: The Highest Stage of Capitalism*

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The fabric of everyday life in America feels thinner now, stretched past the point where it can hide what lies beneath. The last year has not been a period of change so much as a period of revelation, a stripping away of illusions that once allowed people to believe there was something stable in the current social order, something left to hang onto, to give them hope for some kind of future.

There isn't.

The social arrangements that carried millions through the late twentieth century have splintered. Familiar institutions—political, economic, cultural—no longer inspire confidence, only suspicion or contempt. And beneath all of the agitation that now rests on the surface, a deeper truth presses upward, like a cold, withered zombie hand reaching out of the grave in a horror movie: the old order is dying, and nothing coherent has risen to take its place.

People sense this intuitively. They feel it in their bills, their housing, their jobs, their inability to plan past the week this paycheck will cover. But the recognition is no longer confined to private despair, as it was in previous epochs; it has become a public, political fact. The movements of recent years—the surging populism, the campus revolts, the mass protests, the tectonic shifts in party alignments—are symptoms not of a society choosing new paths, but of a society realizing it has lost all of the old ones.

Nowhere is this clearer than in the evolution—and dissolution—of MAGA. Trump's second-term return to the White House, which millions expected to shake the foundations of American governance and, all corniness aside, Make America Great Again, instead clarified the limits of presidential politics altogether. The irony is hard to ignore: once MAGA fully developed, the boundary between "MAGA" and "America" itself blurred in such a way that the movement as a separate engine of dissent began to dissolve and splinter. Everyone is MAGA now. The rest of political discourse needed to become MAGA just to keep up. And as MAGA became superfluous in this way, it ceased to be a carrier of real dissident energy, and ceased to be MAGA.

The state remained the state. The empire remained the empire. The same wars continued, the same interests ruled, the same financial machinery devoured everything in its path and plunged the nation into escalating spirals of debt.

And the rich got richer and the poor got poorer.

And with that realization, the movement's internal unity fractured, the natural result of discovering that no single leader can reverse a structural decline half a century in the making. It really makes no difference whether a given individual within MAGA believed that Donald Trump was intent on saving the country, or not. Millions now find themselves adrift, no longer believing the old stories but not yet equipped with new ones. And in that void, darker impulses have begun to circulate—racial cannibalism and neo-Nazism, new psyops and political subcultures, forms of declassed rage searching for targets, searching for a reason, and clinging onto whatever the old system's infrastructure (such as social media) puts in their faces.

*A population stripped of social position but not yet furnished with class consciousness is among the most unstable forces in history.*

That is the danger of this moment.

At the same time, another contradiction—one both older and more central—has forced itself to the front of American political life: the Israel question. Gaza has not merely shocked the conscience of the country; it has exposed the deep structural relationship between the American ruling class and a foreign state, a relationship that in quieter times could be blurred or dismissed but now stands naked in front of all of us. And because this exposure comes precisely during the country's mass declassing, the Israel question has ceased to be a simple matter of "foreign policy." It has become a question of sovereignty—of who governs America, for whom, and to what end.

And this raises a question that many Marxists—trained in rote formulas rather than living method—still recoil from: *Why has this particular contradiction, among so many, risen to primacy?* And what does that primacy reveal about the logic of American capitalism in its current form?

To answer that, we cannot rely on slogans or moral outrage. We must do exactly what Marx did in *Capital* and what Lenin did in *Imperialism*: trace the logic of the system from its simplest determination to its most complex, concrete totality. We learned the dialectical method for precisely this reason. To cut through the fog of ideology, to detect the real motion of capital behind the noise of politics, to identify not just what is happening, but what must happen. To understand the contradiction that now tears through American life, we must begin at the point of necessity—at the embryo of finance capital Lenin

identified—and ascend from that abstraction to the fully concrete reality of our globalized, financialized order.

Only by doing this can we understand how the American middle class was formed, how it is now dissolving, and why the only way forward is the revolutionary re-proletarianization of the American people.

For Marx, the commodity revealed the secret of value.
For Lenin, monopoly-finance capital revealed the logic of imperialism.
For us, *The Empire of Debt* is the abstract core of the modern world.

Only then can we grasp the meaning of re-proletarianization—the dissolution of the middle strata, the crumbling of a stable way of life, and the eruption of political volatility that accompanies such a transformation.

Part II is that bridge. It carries us from Lenin and into the 21st century, from the birth of finance capital to its parasitic domination, from empire abroad to collapse at home. And in doing so, it prepares us for what must come next: a sober, scientific understanding of what is happening to the American people—and what they must become.

## The Dialectics of Abstract and Concrete in Lenin's *Imperialism: the Highest Stage of Capitalism*: The Foundation of Finance Capital

The first lesson of dialectical logic is a simple one. Pure being is empty. It's nothing yet. Being is only becoming. And what's more, it is *determinate* becoming. That which is becoming is shaped by the previous mode of life. Honestly, most of political discourse in the 21st century is a reduction to vulgar idealism that forgets this lesson, utopianism and comparing ideal worlds we dream up in our heads, and screaming vulgarities at each other. All we really need to understand it on a deeper level, however, is this first lesson. (Well, this and the stuff we learned in the last essay, along with a little bit of Lenin.)

If we're going to understand how capitalism grew into the monster we're dealing with today—this global, financialized thing that can strip a people of sovereignty with a spreadsheet—we have to start from the point where it stopped being what the obsolete textbooks and libertarian think tanks still claim

it is: thousands of brave little firms, each minding their own shop, competing freely, taking risks, innovating, and so on. This is capitalism as a children's story. By the end of the nineteenth century, that story no longer matched reality. Capitalism had already become something else. That transition is exactly where Lenin begins.

He starts from a simple, stubborn fact: production was concentrating. The number of small enterprises was shrinking while their share of total output was collapsing. Meanwhile, a tiny group of enormous enterprises was swallowing everything in sight. This is where the libertarian will chime in and tell us that an abstract, indeterminate category he calls “government” was to blame for this somehow. Unfortunately for him, Lenin shows us that, while government certainly plays its role on the process, there is something far deeper to the necessity of concentration. It is no fluke of government decree. Concentration is, instead, a general law of capitalism’s development: the tendency for capital to concentrate as it accumulates.

Think about what industrial capitalism actually is. It isn’t just people buying and selling products (this would force us to imply that the products poof into existence from the results of some magical spell, rather than being actually produced, which necessitates a mode of production); it’s huge amounts of dead labor—machines, buildings, infrastructure—being used within production in the hope of extracting more value than was advanced. As technology develops, as machinery becomes more complex, as rail and telegraph and steam and electricity knit the world together, the minimum amount of capital you need just to show up and compete rises continuously. You can’t enter the steel industry in 1900 with a backyard furnace. You can’t lay railroad with a wheelbarrow when your rival controls a thousand miles of track and the credit lines of a New York bank. Capital’s own need for ever more powerful means of production pushes the threshold upward, squeezing out smaller capitalists step by step.

Lenin’s first move, then, is to take the empirical record and show that what appears as decisions of the “big fish” to eat all the “little fish” is actually the law of motion of capital asserting itself. In Germany, between the 1880s and early 1900s, the number of industrial enterprises fell in key sectors while their average size exploded like never before in history. In electricity, in mining, in iron and steel, in chemicals, a tiny fraction of firms end up employing the majority of workers and commanding the bulk of output. In the German census of 1907, enterprises with more than 1,000 workers are less than one percent of all firms, but they employ almost a third of all industrial workers and account

for nearly half the total horsepower of machinery. That is not just a “trend” based on the subjective valuations of industrialists. That is the system shedding its competitive skin - the anarchy of production becoming something else as it develops.

In the United States, the story is even more stark. The 1909 Census of Manufacturers shows that about one percent of firms produce close to half the total industrial output. The creation of U.S. Steel in 1901 is likewise not the whim of financiers; it is the necessary consolidation of dozens of mills, furnaces, ore fields, and rail networks into a single enterprise capable of operating at the new scale the productive forces demand. With over $1.4 billion in capitalization and control of over sixty to seventy percent of steel output, U.S. Steel stands not as the triumph of one robber baron but as the point at which steel production itself becomes unthinkable outside of an organized monopoly structure.

This process is all within capitalism itself, the core component of accumulation and why capitalism became global in the first place. Competition doesn’t disappear because capitalists get tired of it or “because government.” Competition reaches a level where its continuation would destroy the very capital that depends on it. If ten companies with gigantic fixed costs engage in a price war in a market that can only profitably support four, what happens? They eat into their own capital, cut prices below cost, starve their credit, and collapse. The “victors” inherit ruins. So what do they do? They call a truce. They sign agreements. They form syndicates. (Well, more realistically, the most powerful among them force the others into agreement, but you get the picture.)

And this is all before taking account of the tendency for the rate of profit to fall.

Regardless, this is the first elevation in Lenin’s movement: from simple concentration to monopoly in embryo. Enterprises begin coordinating output, agreeing on prices, dividing markets. The Rhenish–Westphalian Coal Syndicate is a classic example. The coal mines in Germany’s industrial heartland, after years of vicious competition, form a sales syndicate that controls around ninety-five percent of coal sales in the region. They fix prices, allocate quotas, and punish members who violate the agreements. Once again, this is not some corruption of a pure competitive state of being that remains static. It is, instead, the necessary form that capitalist organization takes when the forces of production reach a certain level of interdependence and scale.

And the rich get richer and the poor get poorer.

The coercive laws of competition throw enterprises against one another with increasing violence. That very violence forces them into alliances, cartels, and mergers. Out of the chaotic concrete—the bewildering mess of price wars, bankruptcies, amalgamations, joint-stock conversions—there emerges a new abstract determination: monopoly as the *typical* form of large-scale capitalist enterprise.

Once this new form consolidates, it begins to transform everything around it. This is the particular becoming the universal. It reshapes the structure of industries. It reorganizes the labor process. It reshapes the relationship between firms and the state. A monopoly in steel does not simply set higher prices; it becomes the indispensable supplier of the railroad and armaments industries, giving it enormous leverage over the entire economy. Monopoly in oil doesn't just squeeze out small refiners; it effectively controls energy itself. The giants use this leverage to entrench their position, buying up competitors, securing favorable freight rates, locking in long-term contracts, and lobbying governments for tariffs or subsidies. The "free market" now operates inside an arena whose basic architecture is predetermined by a handful of huge cartels. Sure, you can sell a product you make up if you're small enough to go below the notice of the cartels, but once you catch their notice, you sell to them or you get driven out of business.

Therefore: the monopolies that emerge from the process of concentration do not abolish competition; they transform it. Instead of thousands of firms competing on a local scale, a few colossal combines contest entire sectors and continents. They struggle with one another over spheres of influence, backward integration into raw materials, forward integration into transport and merchandising, new technologies, foreign markets. This struggle begins to take on the character of state-backed rivalry. Not only because the state is heavily involved in securing markets in other countries and issuing tariffs to make sure their national cartels have an advantage at home, but also because the stakes now exceed anything private firms alone can manage.

In this movement we see the ascent from the first abstract determination (concentration) toward the richer concrete of monopoly capitalism. The chaotic surface of mergers, acquisitions, agreements, and bankruptcies is resolved into our concept: the system no longer consists of numerous equal capitalists relating to one another only through price competition. It now consists of a

hierarchy of capitalists, with a relatively small number of giant enterprises commanding the decisive nodes of production on top.

But we ain't done yet. That is to say, the concept is still not fully concrete. Lenin pushes further. The new giants, precisely because of their size, are forced into a different relationship with credit. Their costs are immense; their investment cycles stretch over years; their operations are so large that they can not rely on internal funds alone. They need banks—not as occasional lenders, but as constant partners.

This necessity creates the conditions for the next determination, which Lenin will develop as: the fusion of industrial capital with banking capital into finance capital. Yet even in this first abstraction of the consolidation of monopoly, he already hints at it. The same concentration that produced monopolies in industry is occurring in banking. Small banks are being swallowed by larger ones. Joint-stock banks expand their branch networks, centralize reserves, and gain control over the credit system. In Germany, a few Berlin banks dominate the money market. In the United States, a handful of New York houses do the same. The monopolies of industry and the quasi-monopolies of banking are drawn together by their mutual dependence.

So, the concept we arrived at—monopoly—is already pregnant with its own inner contradiction. It requires capital of a magnitude that only a centralized financial apparatus can provide. (This is where our libertarian friend that's been with us this whole time says, "No! Not a central bank!" and then burbles and gurgles as he gives up the ghost.) That apparatus, once centralized, gains leverage over the industrial monopolies themselves. The result is not merely cooperation but fusion. The industrial monopolies and the biggest banks merge into a single functional bloc - an emerging totality of interconnected, interdependent parts.

Finance capital.

The reason we linger so long over this first part is that it contains, in embryonic form, the entire logic of imperialism and everything we're dealing with in the twenty-first century. The concentration of production isn't just a characteristic in a list that we memorize; it is the real trajectory by which capitalism ceases to be a system that can tolerate a broad layer of independent enterprises and begins to demand huge, centralized structures. Once the logic of concentration has done its work, the social space for independent craftsmen, small manufacturers,

and even medium-sized firms shrinks dramatically. The pressure mounted against them is so intense that they either become subordinate links in the supply chains of giants or are ejected from the system altogether.

You know what all those Silicon Valley start-ups need to start up in the 21st century? They need “VC”s. Venture Capitalists. Investors.

Another name for our cartels.

But what does all this have to do with the death of the middle class and re-proletarianization, you ask? It’s simple. Part of our dialectical logic here, our ascent to the concrete, must contain this fact: the very process that created the possibility of the mid-century middle class already contained the seeds of its destruction within it. The emergence of giant enterprises made it possible, under certain historical conditions (which we will go over, of course), for a layer of wage workers to live lives that were insulated, if temporarily, from the instability and lack of access to property that was characteristic of earlier phases of capitalism. To own one’s home, after all, is to own more than one’s labor to sell. But the monopolies that underwrote that insulation did not stabilize the system. They only raised the stakes. They cast the net in the biggest debt trap in American history.

By carefully reconstructing Lenin’s first step—concentration and monopoly—we see the first necessity that will later appear in our concept of The Empire of Debt, and in our concept of re-proletarianization. Once capital has concentrated to a certain degree, the fate of millions of lives becomes tied to the decisions of a few colossal institutions. The system no longer has the organic elasticity to absorb shocks piecemeal. Crises are centralized. Growth is centralized. And, eventually, decline is centralized.

Capitalism itself becomes a form of economic planning, and the institutions Lenin describes are its planning bodies.

We are not there yet—in Lenin’s text, or in our own ascent. At this level of abstraction, we have only uncovered the first law of imperialist capitalism: that competition, pushed to its limit, gives birth to monopoly, and monopoly reorganizes the entire system around itself. The next step is for us to follow Lenin into the concrete form this takes: the rise of finance capital, the export of capital, and the carving up of the world.

## The Self-Expansion of Capital and the Birth of Monopoly

**(Concentration > Centralization > Monopoly)**

The moment we isolate capital as a self-expanding value, we are able to see how the seed of its transformation was planted. For capital, to remain capital, its own expansion cannot be optional; it is the condition of its existence. An enterprise that does not outgrow its competitors faces annihilation. But because every capitalist confronts every other capitalist under this same necessity, expansion for each becomes the exclusion of the others. Thus, the first contradiction that cries out from the commodity-capital relation is the contradiction between the independence of individual capitalists and the unity of the capitalist class as a whole, a unity that exists only as the battlefield upon which each capitalist must conquer or die.

This is where liberal ideology fails (and often goes to great lengths to hide that failure). It imagines early capitalism as a harmonious plurality of small firms in gentlemanly competition, a static state of being that lasts forever and never changes. But in reality, the internal logic of capital does not permit such stability. Competition is not the opposite of monopoly; it is its engine. The more fiercely capitalists compete, the more rapidly they concentrate. And the more they concentrate, the fewer remain. The “free market” is not a place; it is a process — the process by which freedom devours itself.

By the final decades of the nineteenth century, this process reached a decisive threshold. In Germany, we can watch the movement unfold with mathematical precision. In 1882, Germany counted roughly 217,000 industrial enterprises. By 1907, fewer than 67,000 remained. The number of firms collapsed by more than two-thirds while total industrial output *tripled*. That is the dialectic in motion: fewer capitalists, more capital.

In mining and metallurgy — the sectors Lenin uses as paradigmatic — the trend is even sharper. The six largest German coal syndicates came to control between 70 and 90 percent of regional output. By the eve of the First World War, A.G. für Bergbau- und Hüttenbetrieb (the great mining-metallurgical conglomerate) and Gelsenkirchener Bergwerks-AG had fused capital blocs so large that entire provinces depended on their price schedules. This is the point at which these enterprises were no longer companies. They were territorial powers.

And they flexed that power.

At first glance, this seems like a purely European story, a German symphony of cartels and trusts. But the same melody—the same necessity—expresses itself in the United States with even more violent force, because America had begun not with small capital but with an entire continent that was geographically isolated from other imperialist powers.

By 1900, the United States had entered the same structural moment Germany had: the period where competition, having done its historical work, destroyed the very conditions for its own existence. In its place arose the first great American monopolies — entities so large that they were no longer simple participants in the market, but became its architects.

The railroads are a prime example. In 1869, there were more than 500 independent railroad companies. By 1906, seven systems held nearly 70% of all rail mileage. J.P. Morgan's legendary 1904 reorganization of the Northern Securities Company demonstrates the logic here, and proves the consolidation: the railroads no longer competed over rates — Morgan *assigned* them.

Competition became redundant and pointless long before it became illegal.

"But Noah", says that libertarian friend who is somehow alive again after the shock of the creation of central banks being a direct product of capitalism killed him a few pages ago. "It's just that industry! Surely, the period I've been told is the golden age of capitalism had one fluke, right? The exception that proves the rule?" Okay, let's look at the steel industry. In the two decades after the Civil War/Second American Revolution, more than a hundred steel producers fought, merged, absorbed, and eliminated one another. By 1901, Andrew Carnegie's empire—itself built through ruthlessly efficient concentration — was swallowed whole by Morgan's new creation, U.S. Steel, instantly capitalized at $1.4 billion, nearly *twice* the federal budget. At its birth, U.S. Steel controlled two-thirds of American steel output. This was not a "large firm." It was the industrial nervous system of the entire nation.

Petroleum followed the same trajectory. In 1870, Rockefeller's Standard Oil was one of dozens of refiners. By 1882, through rail rebates, price wars, secret deals, and outright absorption, Standard Oil held 90% of American refining capacity. The company could have declared the market dead and commanded its corpse to walk — and it would have walked.

Are you grasping this next movement yet? These weren't aberrations or exceptions to the rule, and they weren't "because government." They were the necessary form of capital's movement at a certain stage of development. As each firm grew, it required increasingly massive outlays of fixed capital—blast furnaces, pipelines, rolling-mills, locomotives—investments so large that they produced insurmountable barriers to entry. Economies of scale became not an advantage but an absolute threshold. Whoever passed it annihilated whoever could not.

Thus the logic of concentration becomes the logic of centralization: capital grows not only by accumulating its own surplus, but by devouring the accumulated surpluses of rivals. Merge, absorb, liquidate—this becomes the real movement of the market. Competition dies by fulfilling its own concept.

## The Advent of Finance Capital and the Embryo of the Empire of Debt

But now the contradiction deepens. The very scale required to dominate the market requires forms of financing that no single industrial concern can internally generate. A blast furnace or transcontinental railroad cannot be funded by retained earnings—the labor involved in creating them simply isn't enough; it requires vast pools of liquid capital. And because no industrialist possesses such pools alone, he must turn to the only institutions that can summon mobilized social wealth on command: the banks.

This is how the next transformation emerges from within the first. The quantitative swelling of industrial capital produces a qualitative leap in the function of bank capital. Banks cease to be mere intermediaries as this happens. They become organizers, adjudicators, and finally, governors of the entire accumulation process. By the dawn of the twentieth century, both Germany and the United States (and all the other Western nations, but these are our two examples) had crossed a decisive threshold: the fusion of industrial and banking capital into a single organism, with each piece interdependent with and characterizing each other piece:

Finance Capital.

Capital F. Capital C.

When the great German banks—Deutsche Bank, Dresdner Bank, Disconto-Gesellschaft—secured seats on the boards of the major cartels in coal, iron, electrical engineering, and chemicals, the fusion was made explicit. At this moment, these banks cease to operate in the way we are taught banks operate, and instead operate as Financial Institutions, not just providing credit, but providing an integral mechanism for the continual reproduction of capitalist society.

In 1913, the "Big Three" German Financial Institutions controlled more than 75% of all deposits; those deposits, in turn, controlled the largest cartels in metallurgy, coal, electrical engineering, and shipping. Industrial production became an extension of the credit/investment mechanisms of these Financial Institutions.

Or, to put it a little more simply: the banks no longer followed industry; industry followed the banks.

In the United States, the same process was taking place, but in a distinctly American form: the rise of the Morgan–Rockefeller financial blocs. It is without reserve that this humble author can say that the Morgan–Rockefeller financialization is one of the most evil things to take shape in the entire 20th century. That, of course, would deserve an essay all to itself. For now, however, we will mention that a 1912 (the early days of the cartel) congressional investigation found that J.P. Morgan & Co., through interlocking directorates, exercised effective control over 341 corporations, with aggregate assets of $22 billion—which was nearly 70% of all corporate wealth in the country at the time.

70%. Let that number sink in for a moment. A single monopoly cartel, once it financialized, controlled 70% of all corporate wealth in the country known for its corporate wealth.

Morgan partners sat simultaneously on the boards of U.S. Steel, AT&T, General Electric, First National Bank, New York Life, the anthracite coal roads, and pretty much *all* of the great shipping combines. Rockefeller's Standard Oil empire, even after its formal dissolution, remained bound through common shareholders into a single organism with Chase National Bank at its heart.

By this stage, the transition becomes so hard to miss that you need to be actively trying to miss it in order to do so. The self-expansion of capital creates

scales so vast that only these giant financial institutions can coordinate them; but as the financial institutions coordinate them, they also subordinate them, creating a pyramid with the financial mechanisms on top; and as production is subordinated to financial institutions, the entire economic system becomes a single, interdependent mechanism. The old multiplicity of capitalists—each isolated, each independent and fighting against the rest—dissolves into a complex hierarchy governed by financial command centers. E Pluribus Unum. The many becomes one.

Concentration > Centralization > Monopoly > Finance Capital

This, of course, is the moment Lenin calls Finance Capital. And for the record, this is not some childish, surface-level reading of *Imperialism: the Highest Stage of Capitalism* that can't grasp dialectical development and therefore assumes the sum of industrial capital plus bank capital is Finance Capital and that's that, as the Boomers Who Failed Us[2] insist to anyone who will listen, but their unity in diversity, their fusion into a new form whose interests, methods, and power are qualitatively different from either alone, and whose very presence in the equation affects the characteristics of each other constituent part.

And once this unity in diversity is realized, its next movement becomes unavoidable: having conquered the domestic market, Finance Capital must seek external expansion. For the scale of finance capital is too large for the nation; its valorization now demands entire regions, continents, and ultimately… the globe.

This moment, the transition of Finance Capital in a phenomenon rising above nation-states and making its way through them, is the embryo of our Empire of Debt.

Concentration > Centralization > Monopoly > Finance Capital > Globalization > The Empire of Debt

Monopoly at home generates imperialism abroad as its embryonic internal necessity. This internal necessity has its own development and concretization, but let's not get ahead of ourselves just yet. Where we are right now is a stage where monopolization is still only happening on the level of the nation-state.

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2. If you know who I'm talking about, then you know who I'm talking about. Luckily, it'll all be fixed by 2036.

The fusion of bank and industrial capital, once formed, cannot remain enclosed within the borders of any single nation-state giving rise to it. Its scale has already surpassed that terrain, and if it is to survive, it must continue consuming. A blast furnace consumes iron ore, but Finance Capital consumes *entire markets*, and the national market—no matter how vast—is finite. As soon as capital becomes monopolistic at home, its own magnitude and efficiency becomes a barrier. (Monopolies are, after all, incredibly efficient. They can stifle creativity and will eventually create things like planned obsolescence, holding back the productive forces, of course, but they are nothing if not efficient parasites.) The Financial Syndicate, having absorbed every rival within reach, must now reach beyond itself or begin to suffocate on its own mass. Thus the contradiction that birthed monopoly now gives rise to a new movement: the export of capital rather than commodities, investment rather than an offloading of surplus goods.

Export of Commodities > Finance Capital > Export of Capital

Here, our libertarian friend chimes in and talks about "because government" again, and at this point we are beginning to feel bad for him. The individualist framework he doesn't seem able to break away from just can't assess huge, world-spanning phenomena and interconnected pieces of a whole like this. For him, war is nothing more than an individual failure to adhere to some magical policy of non-aggression that is supposed to hold Finance Capital back and force it not to do what all capital must do or collapse. For the bleeding heart liberal, it's big, mean countries being big meanies to small countries that should have their sympathy. For us, however, and a scientific view of the phenomenon, this is nothing other than the self-expansion of capital seeking fresh soil in which to root itself. And because each great national bloc of Finance Capital confronts this same necessity, the entire globe becomes the battlefield upon which their contradictions collide.

Literally.

The world market, once an arena of exchange, now becomes an arena of conquest.

## The Export of Capital and the Era of Inter-imperialist Rivalry's Sublation

*(Monopoly > Surplus Capital > Export > Inter-imperialist Rivalry > Global Hegemony)*

The moment capital becomes monopolistic, its reproduction confronts a new limit—a limit that arises not from scarcity, but from abundance. Monopoly produces not only command over the national market; it produces *superabundant* capital—capital that can no longer find profitable outlets within its own borders. (A lot of this is due to the class struggle attached to this process, but that will have to wait for another part in this series.) This is the paradox at the heart of the imperialist epoch: the richest nations are suffocating under their own wealth.

Think about it. In the monopoly stage, accumulation accelerates far beyond what any domestic market can absorb. Rising wages due to militant class struggle create higher prices create a need for higher wages create a rise in prices, etc., etc. But even setting that aside for the moment and focusing on our current abstraction, the concentration of industry means production expands at a scale that domestic consumption just can't hope to match. The centralization of banking means investable funds pile up faster than any home industry can profitably employ them. And because the monopolies suppress competition, they suppress the very dynamism that once opened new spheres for investment. The same process that created monopoly also chokes off the internal avenues of growth.

Thus the contradiction: capital must expand, but cannot expand *at home*.

This is the moment at which capital becoming supranational becomes a possibility. Especially in the USA, home to McCarthyism and Red Scares and more lies/propaganda demonizing the working class/Communism than anyone could ever shake any number of sticks at, the political sphere necessarily lags behind the economic sphere. While we see capital investment begin to globalize (rather than the simple commodity trade that it grew out of), we are still very much within the epoch of the bourgeois nation-state, and as such, these bourgeois nation-states become appendages of the sphere they lag behind, struggling to keep up with every circuit of accumulation. But here's the rub: there are other bourgeois nation-states standing in the way of new investment opportunities and resources.

And it isn't just the US. By the late nineteenth century, Britain—the world's most advanced capitalist nation at the time—had accumulated sums so enormous that domestic outlets were trivial by comparison. British foreign investments rose from £188 million in 1862 to £4 billion in 1914, a more than twenty-fold expansion in half a century.

*At the dawn of the twentieth century, London banks owned more capital abroad than existed inside entire industrialized nations.*

Germany's Finance Capital faced similar pressures. In 1880, German foreign investments barely existed; by 1914, they reached £800 million, and the *annual* export of capital exceeded the combined yearly industrial profits of the Ruhr magnates. The Deutsche Bank-led syndicate drove investment into Ottoman railways, Balkan mines, Chinese railway concessions, and South American agricultural estates. Everywhere the German cartels faced the same dilemma: without export, stagnation; without expansion abroad, collapse at home.

And the United States, though a latecomer, demonstrated the same movement with American scale. Between 1897 and 1914, American foreign investments exploded from $700 million to $3.5 billion. Morgan syndicates financed Mexican railroads and copper mines; Rockefeller-linked finance groups extended loans to Argentina, Chile, and Venezuela; and American industrial monopolies began to colonize Caribbean sugar, Central American fruit, and Philippine hemp. By the dawn of the First World War, U.S. capital had reached a stage where outward expansion was no longer an option or a particular determination, but a universal, structural necessity.

Or, if you want it in somewhat simpler terms: when monopolies conquer the home market and Finance Capital comes to dominate all of production, the nation becomes too small for its own capital. A national economy is large enough for competitive firms, but too small for Finance Capital organisms whose scales rival entire continents.

Unfortunately, the export of capital is not identical to the export of commodities.

Under the older, competitive capitalism, nations exported goods and sought to saturate markets, creating dependencies for their commodities. Under Finance Capitalism, nations instead export command—the power to bind foreign economies to the valorization needs of domestic monopolies. The outward flow

of capital becomes a claim on the future labor, land, and raw materials of entire regions. It is not simply a monetary transaction, you see; it is the restructuring of another society's development based on investment, debt, and speculation.

Ever wonder why people talk about imperialism holding countries in states of underdevelopment? This is what they're talking about. It isn't a big, mean USA being greedy and mean. It is a structural necessity of capitalism itself. If these claims on future labor, land, raw materials, political agendas that can fulfill these, etc., are not made, then the investment will not pay off and the firms begin to collapse under their own weight.

At this point, we see the embryo of the Empire of Debt begin to develop. If I work for an employer and he gives me a paycheck, it's mine. If, instead, he invests and speculates in my sector, there is a marker on my future paychecks, on value yet to be created.

One thing we should note here that will help us understand the process currently happening. There is a reason we talk about "base and superstructure," and how the base creates the superstructure, which in turns characterizes and reinforces the base. The two affect each other going on through the development of the society in question, and the globalizing imperialist economy is no different.

As the exported capital takes root in backward or colonized territories, the global division of labor reshapes itself in the image of the exporting power. Railways in India are built not to integrate India for its own sake, but to extract cotton for the Manchester textile trusts back in the UK. Argentine cattle ranches are financed not to enrich Argentina, but to feed British provisioning chains. The Baghdad Railway is built not to modernize Anatolia, but to secure German access to Persian Gulf oil.

This is where the contradiction becomes geographic. Capital cannot expand at home because the domestic terrain is already fully saturated by its own monopolies. It must therefore expand abroad—into territories where competition is still possible, where labor is cheap and has not yet formed a militant struggle against capital, where natural resources are unclaimed, where state structures are weak or coercible, where the capitalist mode of production can then be implanted like a foreign organ into a host body.

But because every major capitalist nation arrives at this point, the export of capital becomes more of a collision than a peaceful dispersion. Each bloc of Finance Capital tries to transform the same regions into its own hinterland.

The geographical world is finite.

The appetite of capital is not.

Thus the export of capital cannot remain an economic process. It becomes political, military, diplomatic—ultimately, existential. The struggle for investment territories becomes the struggle for global power.

Already, we are seeing the stage set for a single global hegemon to rise out of this competition. If there is one thing this essay has taught us, it is that competitions have clear winners and losers.

The British Empire hardened into a financial empire because its monopolies had long since outgrown the British Isles. German imperialism erupted with such ferocity because German capital entered the export stage late and found the world already partitioned. American imperialism grew rapidly because U.S. monopolies discovered the Western Hemisphere insufficient for the nation's industrial and financial mass, causing it to set its sights on the empire owned by its one-time overlords in jolly old England.

From this arises the structure Lenin identifies:

*Industrial monopoly within the nation-state > Finance Capital's dominance within the nation-state > export of capital/investment outside the nation-state > creation of colonized, dependent areas > global partition of world by imperialist powers > imperialist rivalry.*

And each term follows from the one before it by the inner necessity of capital's self-expansion.

The Highest Stage of Capitalism in all its bloody glory.

Although the bourgeois economists of Lenin's time strained to interpret imperialism as foreign adventurism or blamed the conflicts on the whimsical choices of politicians, the real movement of capital reveals something far deeper: imperialism is not a choice but a stage of capitalism itself—the stage in which the inner limits of nation-based capitalism burst outward to create a global framework, carrying every major capitalist state into conflict with every other.

This is why Lenin insists that imperialism is the monopoly stage of capitalism and why we, a little over a hundred years later, can recognize it as the embryonic form of a fully globalized and fully developed, financialized system. The world market, formerly the meeting place of commodities, now becomes the arena where monopoly capital carries its own internal drives onto the international stage, reproducing globally what it engenders domestically.

Thus, the world no longer appears as a patchwork of self-contained national economies. It becomes the expanded terrain on which monopoly capital conducts its own reproduction, binding distant regions into the circuitry of its valorization. Some nations emerge as centers because capital accumulates there; others are drawn into the orbit as suppliers of surpluses, not from any intrinsic 'backwardness,' or silly race nonsense, but because the movement of capital assigns them that function.

*The export of capital transforms the world in its own image.*

And here, the contradiction deepens once more. For as monopolies carve the world into spheres of influence, the number of independent economic territories contracts just as the number of competing Finance Capital blocs remains constant. The stage is set for the next movement of the concept:

The division of the world among the great powers, and the epoch of global war.

We've all heard the First World War called the "Inter-imperialist War." This is why. The rivalries of these Financial Institutions were not trivial characteristics, but the necessary development of capital itself.

Once monopolies have seized their colonies and the great Financial Institutions have carved the world into rigid orbits, the contradiction can no longer remain latent. Too many powers seek outlets for capital; too few territories remain unclaimed. Every rail concession has already been mortgaged to someone else. Every resource basin has already been pledged as collateral for some foreign loan. Every port is tied into the web of one imperial bloc or another. The expansion of each great power now implies the contraction of another.

Thus the First World War erupts not as a diplomatic accident but as the necessary expression of the world Lenin explained for us. The imperial powers collide because they *must* collide; their economic apparatuses demand expansion at a moment when expansion is only possible by tearing colonies, trade routes, and spheres of influence out of the hands of rival blocs.

WWI is the first planetary attempt to redistribute the imperial order by force once peaceful redistribution becomes impossible.

But the war does something else — something that Lenin's text anticipates only in a tiny, rational kernel within:
It breaks Europe apart.

Literally.

The war ends, nominally. Yet the economic organism that fought it does not survive it. Britain emerges victorious but insolvent; France victorious but mortally indebted; Germany defeated and cast into reparations whose sums exceed its industrial capacity; and Austria-Hungary dismembered entirely. The productive apparatuses remain, in large part, but the balance sheets are shattered.

And this is where the Empire of Debt finds the most fertile ground in which to grow.

This is where the logic of Lenin's imperialism passes into something new — something he could not yet have lived to see, but whose form he already described in embryonic outline: the transformation of imperial domination from a territorial system into a financial one.

All through history, old Europe survived on tradition. And one of those traditions was that of "gentlemanly" agreements during war time. That is to say, war debts were almost always absolved after the conclusion of the war, and one-time enemies were left to lick their wounds in relative peace.

The United States of America, a young nation without even a hint of such traditions, its own traditions, in fact, built on the overthrow of the old European order, was not beholden to such things.

The United States stayed largely "out" of the first World War. (And largely "out" of the second, but that is a whole nother bag of bananas for the moment.) Instead, it found advantage for its own Financial Institutions in granting loans—financial obligations—to the "western Allies," France and the United Kingdom. France and the U.K., for their part, took these loans in anticipation of their forgiveness, a day that would never come.

For as soon as the war ends, the victors do not — because they cannot — write off the debts that financed their victory. They insist on repayment. But because their own economies are devastated, the only way to repay is to force Germany to pay *them* war reparations. And Germany, whose industry is crippled and whose currency is collapsing, cannot pay either—except by borrowing.

From the U.S.

So a strange and monstrous circuit forms, the first waddling steps of our Empire of Debt that would not reach full maturity until almost a century later, in 2008.

The defeated nation borrows from the one solvent power left standing.
With these borrowed funds it pays reparations to the former victors.
The former victors then use these reparations to pay down their debts—to the same power that lent to Germany in the first place.

American $ > Germany + Interest > France/UK > America

And repeat.

And repeat.

The money goes out, and the same money comes back.
Only the interest remains behind, accumulating like a deepening shadow.

It is no longer a triangle of diplomacy; it is a triangle of compounding interest and debt claims.

This is the secret engine of the interwar period, the hidden mechanism behind the chaos historians describe in terms of "inflation," "currency crises," "political instability," and "failure of democracy." None of these phenomena are accidental. They are the formal expressions of an economic structure governed not by production but by the arithmetic of debt—an arithmetic that grows even as the real economy withers.

The European powers, ruined by their own imperialist war, now become debtors to a new kind of center. Their ability to rebuild is no longer determined by their colonies, nor by their domestic credit systems, but by the willingness of that center to issue loans and continue the financial circuits. The creditor becomes the architect of the debtor's policy. The debtor becomes the hostage of the creditor's terms.

And here, we see the first step in the process that is currently destroying the world. The creditor does not demand colonies. Colonies only get in its way. It, instead, demands payment. Payment requires new loans. New loans generate new revenues and interest. And all of that generates dependency.

This is how the USA emerges as the global hegemony in the post-war period. Not because it has a powerful military, which it does, or a high level of technology, which it also does, but because it is at the top of the Financial Pyramid.

The Emperor of Debt.

The debtor nations spiral downward and into crises not because they lack industry—Germany, Britain, and France all still possess industrial capacity—but because the surplus of their industry is already committed to service past obligations. Their present is claimed by the past. Their future is mortgaged to the present. A war fought to redivide the world ends by shifting the axis of world power to those who hold the debts.

Thus the Second World War does not burst forth from a vacuum.
Its roots lie in the *financial* aftermath of the first.

When a nation must choose between default and submission, between collapse and rearmament, between social misery and nationalist revanchism, the contradictions that gave birth to the first war sharpen and consolidate into the second. WWI was a war over the redistribution of colonies; WWII becomes a war over solvency. Sure, there are colonies to be had, but largely in service of this more primary relation.

And so the interwar debt-spiral forms the final, bitter flowering of Lenin's imperialism—
the moment when financial domination, no longer content to merge with industrial capital, begins to shed its shell and emerge in its own right.

This is the first realization of the Empire of Debt.

And it is the hinge between two epochs:

- the Leninist epoch of competing imperial blocs

- and the coming epoch in which a single creditor power will hold the world not by conquest, but by the machinery of finance.

It is the bridge between the territorial imperialism Lenin diagnosed and the debt-based imperialism that will dominate the century to come.

It is the last chapter of the old world and the first breath of the new.

That new world will be described as we continue our analysis and ascent to concrete concepts in the next essay.

Thank you for your time and consideration.

In solidarity to all those fighting alongside us against the Empire of Debt,

*Noah*

# 3

# My Father's Red Legacy: Inheriting an American Communist Tradition

Chris Morlock[1]

My grandfather came to the United States through Ellis Island at the turn of the century from rural Germany, from a large farming family in a small village. He was 15 when he arrived in New York. He had basically a second grade education and was barely literate. He became a plumber and was always drawn to Eugene Debs and the IWW, and in time he became a wobbly. He was at the 1934 San Francisco Longshoreman's strike and had met Harry Bridges there.

My father, William Morlock ("Bill"), was born in 1931 in San Francisco during the height of the Depression. He was introduced to Communism through CPUSA workers schools in the Mission District. He always said there was more than one. From what I understand, they were like community centers or a kind of proletarian YMCA. You could go in and take a class on Marxism, Russian history, or philosophy. People read William Z. Foster, who was a

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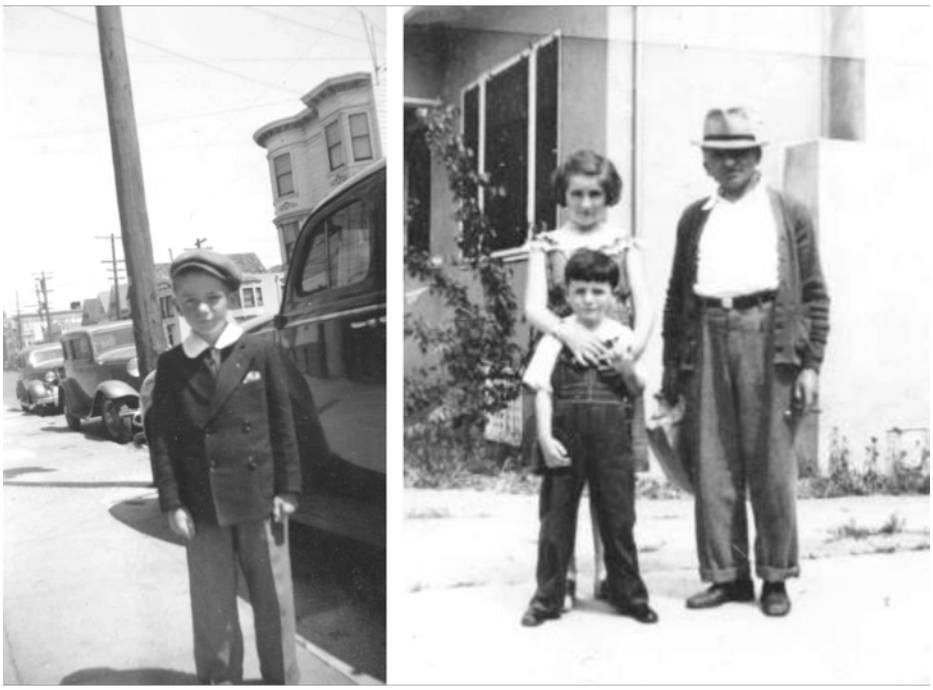
1. Chris Morlock is a member of the Politburo of the American Communist Party, serving in its Department of Education.

particularly prolific and popular writer at the time. It was at this early age in the late 1930s that my father first developed his lifelong Russophile interests.



*My father in 1938 with his Cousin and My Grandfather*

During the Second World War, Allied propaganda was focused on promoting US and Soviet friendship, a far cry from the post war demonization. My father would watch newsreels, usually played at the beginning and end of movies in theaters, and learned about “Uncle Joe” and the heroic struggle of the USSR against Nazi Germany in the Great Patriotic War. The stories of building the Soviet Union into such a powerhouse, taking on all of the pathological old European powers, and winning was an amazing inspirational and aspirational motivation.

Having spent a significant amount of time in the mid 1930s in hunger and precarity, with my grandfather out of work for years, the decision to revere Stalin and Marxism Leninism was not difficult at all. They simply appeared as winners, whereas American was lost in a devastating depression.

My grandfather finally found work in 1937 as a janitor at the San Francisco Mint, a job he would hold for the next 30 plus years. His earlier more radical interests in elements of socialism and the IWW gave way to New Deal ideology. A picture of FDR went up on the living room wall. My father was deeply

affected by the CPUSA's Popular Front program, a contradiction he would wrestle with for his entire life as he deepened his journey into Marxism Leninism.

The CPUSA in the 1930s was led by Earl Browder, a nemesis of sorts to Foster's outlook. The party emphasized patriotism in a vulgar sense. Communism was "patriotism and the Americanism of the 20th century". This line deeply affected anyone in the movement at the time, as the war effort was explained as the fully copacetic realization of the Popular Front. As soon as Browder moved toward liquidationism in 1944, after he had already written several books polemicizing that direction from 1938 onward, my father was forced into his first major political contradiction. At age 15 he was drawn back to his earlier reading of Foster's "Bryan to Stalin," which grounded his analysis in historical materialism.

Dad became a Fosterite in this era, recognizing the disastrous conclusions of Browder's liberalism. He vowed to join the party when he could, and he planned on it. He maintained his patriotism for America, especially since many of his relatives and elders in San Francisco (from my Irish grandmother's side of the family) had served in the Pacific fighting fascist Japan, and a few had even landed in Normandy fighting Nazi Germany. My father saw their victory as a victory for global Communism. In the spring of 1949 he joined the Communist Party at age 18.

That year he was working his way through his last year of high school by holding a janitorial job at a downtown bank. A bank teller overheard his conversations with other workers about Communism. Specifically, he had been defending the 1949 longshoremen's strike and discussing CPUSA involvement. The draft was on, and the talk everywhere was of Korea and war. My father did not know much about China or Korea, but he knew they were significant Communist movements and that he did not want to fight comrades on a front line. Many of his friends who were drafted from his class died on the 38th parallel in the next few years.

Bill was a very devout Catholic from an early age and maintained his faith throughout his life. He saw no contradiction between Christianity and Marxism Leninism. He saw Communism as an extension of the faith made real through history. He thought about claiming conscientious objector status to evade the draft, but that was very difficult to pull off as a Catholic. The bank teller reported my father's discussions about Communism to the bank manager, who

called him into his office. McCarthyism was just getting underway. My father was grilled by the manager, who implied he would call the FBI over my father's "subversive politics." It was a dire situation as my father was about to graduate high school. He pleaded with the manager for a reprieve, but had no luck. The manager finally said, "Bill, the draft is on. Go enlist to prove you are loyal to the USA."

This ultimatum set in motion the most chaotic period in my father's life. He was out of options and had to make a decision. If the manager did not see that he enlisted, he would call the FBI. At his high school, recruiters were already making the rounds among the seniors. The CPUSA never formally told members to avoid the draft, since that would have been illegal, but it was strongly discouraged. Some of his mentors in the party counselled him to request a non-combatant role. He went to a school recruiter, told him he wanted that kind of assignment, and surprisingly the recruiter gave him good advice. He told my father to sit for an aptitude test, and that if he scored highly enough it might earn him a job behind a desk.

My father complied, enlisted, and was given a series of aptitude tests he elected to take. On his language test he scored higher than anyone else in San Francisco. It was high enough for him to enter the Defense Language Institute in Monterey, California after completing basic training.

The irony was intense: a young Communist and Stalinist being sent to the premier US institution that trained much of its intelligence community to learn how to speak Russian! In some ways it was a dream come true.

After a very quick nine week intensive course, my father spoke Russian fluently. He would later become a linguist, speaking seven different languages (and professionally teaching them) including Russian, German, Spanish, Latin, Ancient Greek, Italian, and Czech. His time learning Latin and Ancient Greek in high school, and the Russian he had already picked up through the CPUSA workers school, helped him immensely. He was deployed to Vienna with the Sixth Army in Military Intelligence.

After completing his tour as an interpreter and courier, he immediately went on the GI Bill in 1953. He had successfully avoided the horrors of the Korean War. He entered the University of Vienna to pursue an undergraduate degree in history. During his time in Vienna he formed a close friendship with a Russian

man, a Soviet citizen, who worked at the Soviet embassy and also attended the university. They shared an apartment.

*Salzburg and Vienna and My Father's Soviet Friend*

Through the consulate, his friend was helping to arrange a bus tour to the Kremlin. This would be the first time since the fall of the so called Iron Curtain in 1947 that a western tour group was allowed into Moscow. My father was delighted at the opportunity. He had told his friend that he was a Communist and thought nothing of it. For them it was a tangential fact. Their politics and their sense of history aligned well. My father was intrigued by every aspect of the trip. He wanted to finally see the USSR and the realization of the proletarian struggle first hand.

He boarded a bus in Vienna and, days later, after traveling through Germany and Poland, finally arrived inside the Kremlin. When he got off the bus, he was met by two men in black suits who brought him to a facility and interrogated him. They were KGB agents. My father deduced immediately that his friend and roommate was also KGB. They asked him if he would like to become an "asset." They knew everything about him, his entire history, his politics, and his military service in intelligence.

Bill knew a lot about intelligence work by then, having spent four years in it. He hated the entire concept. He had seen assets worked to the bone, used up, and thrown away, and he wanted nothing to do with it. He told them he was an American and a patriot, and that he could not in good conscience agree to their offer. He said he was a Communist, but that his future was in the United States and in his party, and that although he felt deep solidarity with the USSR and with Communism, this was not a step he was prepared to take.

The KGB expressed regret, thanked him, and wished him well. He never spoke to them again.

My father spent several weeks touring Moscow and the Kremlin in 1954. You can see it in the photos he took. One shows Lenin's tomb, another the Riga Victory Monument, others show aerial views of the city. In another he is standing in front of the Novodevichy Convent in southwest Moscow, near the river. He also toured Leningrad.

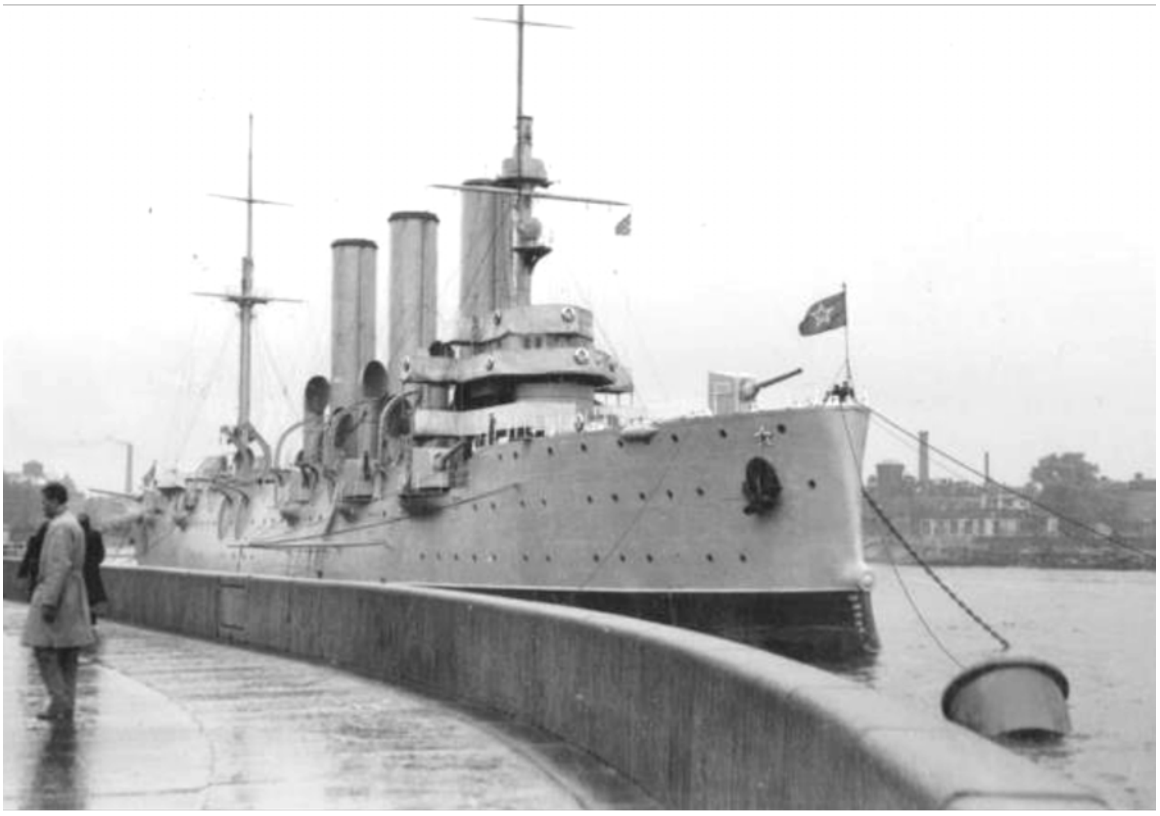
*The Tomb of Lenin 1954*

*Cathedral of the Deposition of the Robe (Собор Ризоположения), Dormition Cathedral / Assumption Cathedral (Успенский собор)*

*Worker and Kolkhoz Woman, Novodevichy Convent in southwest Moscow*

*Aerial View of Moscow*

*Palace Square, Leningrad*



*Cruiser Aurora, Leningrad*

The trip had solidified in my father the sense of the culmination of Marx's Materialism and the application of the science of Marxism Leninism. He was very enthusiastic about the basic concept of transferring this system into the American experience. He saw no contradictions of America's past that could not be resolved as the Soviets had demonstrated- that imagined rifts between religion, class, and America's progressive bourgeois revolution. He could see all things clearly and unified, as the unfolding of history itself. Christianity, Marxism, Leninism, and even the American Constitution had continuity.

When Bill got back to Vienna, two men in black coats were waiting. They were CIA agents, and they identified themselves as such. They knew everything about his trip, his relationship with his roommate (who never returned to the West), and all the details of his political past. They spoke to him sternly for many hours, and my father was forthcoming, telling them exactly what had happened. Then came their pitch. "We would like you to be an asset." My father had considerably less interest in informing for the CIA than he had for the KGB. He refused and told them he wanted to return to San Francisco to finish his education and get a job as a teacher.

The CIA was less than enthusiastic and not nearly as laid back as the KGB. They maintained contact with Bill until about 1960, pulling him aside at various times to grill him about any contacts he had made or kept. My father never again went to the USSR or had any contact with the KGB or any other intelligence organizations. During an interlude in 1956 when he lived with relatives in Brooklyn, he made one of his last appearances in CPUSA circles when he attended a dinner at which he got William Z. Foster to sign his copy of "Toward Soviet America," a book he had picked up years earlier. I later gifted that book to Haz Al Din at the second party convention of the ACP in the spring of 2025.

*Dad Bought a Bug in Stuttgart and the US Military Shipped it to New York for Free*

The Secret Speech shook the Communist world. My father had largely evaded the McCarthy era repression at home because he had been in the military and abroad. Many of his friends had been targeted based on their level of involvement with the party. This had been a central focus of the grilling and questioning he did receive, but outside some interactions with the East Coast CPUSA while living in New York, my father had very little actual party life in those years.

From 1950 to 1956 the once mighty CPUSA, which had at least 100,000 plus members in 1949, was gutted as many left under harassment and repression. In 1957 the party split into three main groupings. One was a direct Khrushchev

supporting wing. Another was a group loyal to Foster, who distrusted Khrushchev and criticized the speech. Yet another smaller wing was the Molotov Stalin group, known as “Hammer and Steel.” They were based on the East Coast in New York, and my father knew a few of them and sympathized deeply.

But the split itself was not enough to condemn the USSR as revisionist, which the “Hammer and Steel” group seemed to insist on. My father identified with Foster’s line, which preached caution. My father’s admiration of Stalin caused him serious inner conflict. He was deeply confused by the chaotic lines forming at the time. Under the pressure of investigation and without any fully formed support for Foster either (since Foster had at times defended Khrushchev in the name of preserving party unity) my father decided to formally leave the party.

Bill was never a revolutionary in the sense of a professional activist. He was almost purely an intellectual, and his deep disillusionment with Khrushchev, his experiences in military intelligence, and the constant investigations finally ran their course. He felt as if he was always under surveillance. He wanted to become a teacher, not a political operative. By 1958 the CPUSA had fallen below 5,000 members, and it remained around that level afterwards. Many of his comrades felt the same way. It was a brutal era.

In 1955, before returning home, my father met my mother in Heidelberg in Germany at the University library. My mother was getting her degree in library science, and my father was on holiday shortly after his Moscow trip. He wanted to see The University of Heidelberg because Hegel had taught there briefly. Wandering into the library, he met my mother. They would conduct a long distance relationship entirely by correspondence for years, and finally marry in 1967 when my mother came to live in San Francisco. When people asked my father how he became so knowledgeable, he said quite plainly “You have to read for eight hours a day, minimum.” No wonder he married a Librarian.

*Married in 1967 in Germany*

Bill remained a Marxist Leninist for his entire life. He finished his master's degree at the University of San Francisco and in 1963 went on to pursue his doctorate at UC Berkeley. He had taken a part time job teaching in 1961 at St. Ignatius in San Francisco, the high school he had attended. The CIA had stopped dragging him in for questioning him around 1960, but the real trial was about to start and would endure for decades.

Bill had always wanted to teach as a professor. In 1961, while working his high school job and going to Cal, he met a fellow teacher who later confided that he was a Communist. They talked politics and history. It turned out he was a Trotskyist. After initial interest and cordial relations, heated arguments followed. I am known for being extremely anti Trotskyist, and much of that is deeply personal because of this history.

This man reported my father to the FBI out of pure vindictive anger (this was a common occurrence all over the Communist world at the time in the West). It could not have come at a worse time. My father was still of interest to the CIA,

had just started a new job, and was pursuing his PhD. New pressures from the FBI began, including the usual questioning and harassment. For nearly 32 years, until 1991, two men in black suits came to his work and to his home and constantly questioned him about anything and everything. Inheriting the CIA file, they knew the entire story. They wanted to know about his contacts and his politics, what he was teaching in his classes, and his entire worldview.

In 1963 my father's PhD committee rejected his thesis on the expulsion of ethnic Germans in the Sudetenland, a topic he had studied intensely from primary sources. His work had focused on proving that the Red Army, which had been unjustly blamed for mass rapes and killings of German civilians and harsh treatment of POWs, had actually been relatively even handed and restrained in the expulsion of German citizens from Nazi captured territory. That was enough for his committee to reject the thesis, and my father never received his PhD. He always blamed FBI involvement and was convinced they had conspired to prevent him from getting the degree.

The FBI continued to interrogate and investigate him for three decades. I was born in 1977, and some of my earliest memories are of him arguing with them in our house. I remember him banging his fists on the table as they methodically asked the same questions over and over. My mother, who had zero political interest and was avowedly apolitical, endured constant harassment. I was never told who the men were or what they were doing there. My father simply said they were "from the government." Since he had no real contact with the party after 1957, the only logic was that they wanted to apply constant pressure and intimidation to ensure that he never rose beyond his world as a humble high school teacher. He finally told me the nature of the ordeal in 1992.

When I was seven in 1984, one agent sat in our living room. Bored, playing with toys on the carpet, I wandered over and tied his shoelaces together. When he stood up, he tripped. My father was furious. I had no idea who the man was at the time.

These were my earliest memories of my father. Perpetually investigated, reading Pravda about developments in the USSR, and teaching me meticulous history of Marxism Leninism while living under the consequences of those politics. It was a wild time. The level of knowledge Bill possessed was incredible. His deep and detailed grasp of history, philosophy, dialectics, and languages was something I came to treasure. All of this took place alongside what became his primary weekend pastime: going to old folks homes where he

met with old comrades and Communists who had taught him when he was young.

I was just entering my teens when I finally realized what they were talking about. My father was not authoritarian or doctrinaire with me. He never insisted on ideological strictness or pressured me to learn the science of Marxism Leninism. He had lost a great deal because of it and knew the price. He taught me slowly and deliberately, letting me choose the time and place for the education. As I listened to his conversations with his friends, I learned a great deal. They were in their eighties in the 1980s, and many of them had known figures like John Reed, Foster, Lovestone, Browder, and others.

I rarely spoke, I just listened. Another regular practice took shape. We went to a lot of funerals. It was a sad time. As the Berlin Wall fell and the Combloc crumbled, they passed away. My father was distraught over Soviet politics, and I had a front row seat as he patiently explained the entire process of the fall. His hatred of Gorbachev and of the late 1980s leadership was palpable. Still, the idea that the USSR could actually fall did not feel real to me. My father and his friends spoke constantly about the architects of Glasnost and Perestroika. Yakovlev was a common name. I remember some of them literally spitting when he was mentioned.

In 1991, during the collapse, I was 14 years old, sitting in my father's classroom, waiting for him to finish grading papers around 5 pm. I remember a small white 12 inch CRT TV mounted on the wall, playing the CBS evening news with Dan Rather. The announcement came as tanks rolled on the Duma. "The Soviet Union has fallen." My father collapsed at his desk, muttering "It is finished." It was a dramatic, almost biblical scene. I was speechless and afraid. It was deeply shocking.

*Early 1991, me with my Father*

Thankfully, many of my father's Communist friends had died before they had to watch that spectacle. Those who remained were crushed. They had followed the project through its entire 75 year arc, had stayed with the Soviets in the Sino Soviet split, and remained loyal to a deeply Russian and Soviet historical line. Many had read Mao Zedong and respected Mao's thought, but the Cultural Revolution and Soviet propaganda had eroded their trust in the Chinese project. They simply did not know enough. Even with my father's linguistics, he had never learned to read Chinese or speak Mandarin. Without that key skill, little was really discernible, and most of the Western ultra-left had embraced a completely warped portrayal of Mao and the Chinese path.

This is the situation I inherited in the mid-1990s, a kind of apocalyptic landscape. My father never rejected Marxism Leninism, but it was a time of slim pickings. The focus on Fukuyama's inversion of Kojève's "end of history" into the triumph of liberalism was dominant. All forms of pathological tendencies, from Trotskyism to Westernized Maoism to Frankfurt School revisionism, had become ascendant. By the time I entered college in 1996, the academic scene was teeming with every variety of Marxist revisionism and outright anti Marxism posing as theory.

But this actually energized me in a teenage and early adult rebellious sense. I had been given rare insight into a first generation Stalinist tendency, something hardly seen since the pre war period. In many ways my father was the last of those men, who had entered the movement at a time when the forces of reaction

and finance capital had already scientifically figured out how to target and destroy Marxism Leninism. I felt it was my duty to carry that legacy, despite the psychological damage that had brought me to that point.

I joined the CPUSA in 1996. At that time the party was in horrible shape. Angela Davis had long since left with her cohort of boomer Gorbachevism. Membership was down to a few thousand at best. My real success came in organizing a student Marxist Leninist club, which I initially thought might be integrated into the party. Gus Hall was very old, the party already had a serious gerontocracy problem, and there were no real opportunities for younger cadres. So I spent most of my time focused inward on our small group at SFSU and had very limited contact with the San Francisco CPUSA.

Our student group included quite a few people my age whose parents had come from the Soviet Union and the Eastern Bloc. They retained some memory of how Marxism Leninism had been taught. I shared what I had learned from my father. Diamat, historical materialism, and intense reading of the canon of ML thinkers from Lenin to Mao, and our own attempts to abstract the future of the theory, were our main topics for years. China was in a transitional period and always a point of fierce debate. Almost no reliable information from China was available outside of Western sources.

There were only a few small pockets of serious ML discourse left at the time in Western circles. We knew Michael Parenti. I met him at a talk on Bosnia in 1997 in Berkeley. We knew of Domenico Losurdo, whose work on China was partially available in translation. Our political work focused on Palestine, on the Serbian conflict, and on paying close attention to the horrors of the shock doctrine in Russia and Eastern Europe, constantly trying to drag out the underlying contradictions. The Western press ignored it all.

China analysis was always contentious because the labor movement was enraged at trade agreements like NAFTA and the WTO, and at the mass closing of factories and deindustrialization. Our recruitment was plagued by all sorts of wild theories and trends. Resurgent Trotskyism, post colonial theory, settler colonialism discourse, Laroucheism, anarchism, and NRX and dark enlightenment occult nonsense all competed with ML thought. It was, frankly, a terrible period.

In 1999 we attended the WTO talks in Seattle, the so called Battle of Seattle. Soaked in rain with a bunch of crudely printed flyers, I and about five comrades

walked around in front of the Paramount Theatre. We had ties with San Francisco anarchists who were there in greater numbers, coming from the famous SF anarchist bookstore. Their goal was to agitate against the G7 and the WTO agreements through disruption. Our goal was more cerebral, to try to find a common thread among working people and figure out what was left of the "left" that could still be universalized. The event was complete chaos and pushed me into deeper disillusionment.

Between angry Teamsters, Earth First environmentalists, the wild anarchists, and nonstop violence, it became obvious that any trace of Marxism had been driven out of the masses.

What was our theory in that context? Our collective developed something very close to what Infrared would articulate twenty years later. We saw the thorough disengagement and de classing of Western workers who no longer had any tangible connection to production. We theorized that Marxism Leninism had historically been a kind of industrial autarky that

combined elements of Taylorism and Fordism with Marx's original focus on a productive proletarian revolution. We knew that class lines, especially after Seattle, had shifted so that many parts of the "left" had become a new rightist consortium, hell bent on denying that the Marxist Leninist approach was valid. They wanted to become part of a de-proletarianized left, a kind of bourgeois proletariat with no fundamental class interest beyond a vague identity as "Marxists" or "leftists." Material conditions had moved into servile rentier relations, not into relations of production in the classical Marxist sense.

We understood that in the future, because of the viciousness of finance capital and its turn toward an intangible information economy, the West would eventually experience a fully unproductive economy. We thought that at that point the theory of Marxism Leninism would boomerang back as contradictions sharpened and after all the pathological forms of Western Marxism failed to deliver any clear or actionable results for working people. A period of pure objective austerity was imminent as American productive capacity crashed.

Like with many things in life, idealism becomes a crutch. As I confronted the actual situation, the bleak prognosis, and the open ended timeline for the return of an authentic Marxism Leninism in the United States, I faltered in disillusionment. I quit the CPUSA shortly after Gus Hall died in late 2000. I worked in the film industry for a few years, then went back to college in 2002. I

became outwardly apolitical, inwardly always Marxist Leninist, but deeply confused.

During my second time in university I pursued industrial design and technology. I was convinced American manufacturing had to make a comeback and that dealing with the Chinese industrial onslaught would make this necessary. My views on China at the time were mixed. I had concluded that Mao Zedong Thought was incredibly sound and insightful, but could not connect it to the Cultural Revolution or its immediate aftermath. The old guard who had trained me were agnostic about Chinese Marxism, constantly hinting at a low key "it is Chinatown" Orientalism. I remember talking with my father about this many times during that period.

My father had a heart attack in 2002, and by 2006 he was retired and almost immediately diagnosed with Parkinson's disease. He had taught history, German, Russian, Ancient Greek, Latin, English, Scripture, European history, and the history of the Church for fifty years. He had skillfully and covertly interwoven Marxism into all those subjects. He practiced a form of "taqiyya", a nuanced and subtle way of protecting his beliefs under hostile conditions. After a long struggle with Parkinson's, he died in 2013. He remained a Marxist Leninist and a Hegelian until the end, although his view of history had shifted toward an acceptance of the end of history.

I continued to work in industry, touring over a hundred factories across the world. I worked in furniture design and industrial design, always with an eye on manufacturing. Machine design was my bread and butter. In 2004 I made my first trip to China while working a second job at a very low quality product design firm in San Francisco. They manufactured seasonal products of dubious value. I ended up in a factory three hours outside Guangzhou, in some of the worst conditions I had ever seen. Factory workers lived on the shop floor. There were children working. Products ranged from T shirts to plastic Christmas trees, all destined for Home Shopping Network type channels.

At that point I was not converted to Chinese Communism. If anything, I was pushed away by the experience. All I could feel was the osmosis from US union members who had lost their livelihoods as factories closed, only for production to be shifted into this rural factory nightmare in the middle of China. I could not make sense of the process. Still, many signs lodged themselves in my consciousness, such as the rapid development in the nearby city. I wondered how long this factory and this configuration would last.

At the same time, I worked for a furniture company in Washington State called Brandrud. It had been a brick and mortar manufacturer of healthcare furniture in the Pacific Northwest for over 30 years. A young set of Harvard educated investor executives took it over in 2003 and promised big things. The factory employed 200 workers and was impressive. Over the next three years, the company was sold to a larger firm, the brand name was kept, and the entire factory was liquidated. High quality American furniture production was consolidated in Michigan, which itself declined to nearly zero years later.

The anger at this phenomenon left me hollow. I had pursued a career in American manufacturing and had personally worked for several companies that abandoned their communities and labor forces for other opportunities. In 2007, again working for the same company I had in 2004, I returned to China and went back to the same Guangdong town. The old factory was gone. It had been bulldozed. Across the street stood a brand new, fully functional ISO 2001 facility. You could eat off the floors. No one was living in the factory. I asked about the previous workforce of around 3,000 and was told the operation had grown to over 12,000 workers. I saw the new apartment buildings in the town, literally brand new six story blocks. The level of automation in the factory rivaled that of factories I had seen in Michigan and California.

My anger and frustration during the Iraq invasions was extremely intense. I clearly saw the problem as neo conservatism and its blatantly obvious Trotskyist origins. My father subscribed to National Review, and I read Wolfowitz and the others. Their constant pushing of a theory that looked suspiciously like permanent revolution and transitional programs was impossible to miss.

In 1989 my father had walked into my room with a book. It was Michael Hudson's "Super Imperialism." I had argued with him a day before about Lenin's "Imperialism," which I had just finished reading, and had basic questions about the evolution of the structure of finance capital beyond Lenin's time. He handed me the book, then pulled it back and said, "This guy is a Trot, but he is completely correct on the history." He handed it over again. I read it and could not make sense of it at the time.

In 2008 the financial crisis hit. I was out of work for nearly a year, which always seemed to happen first to industrial designers. During this time my thoughts drifted back to Hudson. I knew he had a very coherent theory, that he had been instrumental and was widely acknowledged as an inspiration behind

parts of MMT, and that his profile was rising with the crash. Questions of debt, financial oligarchy, and asset price inflation filled in the blanks and connected many dots in my mind.

My faith in Marxism Leninism surged. I realized that the missing link in the ideology and analysis lay primarily in Volume 3 and in the analysis of debt and its effects in a fiat money system. My personal experiences in manufacturing had proved to me that the development of industrial capacity, and its complete destruction in the West, had created a fundamental rift in Marxist continuity. The Marxist Leninist approach had always been to concentrate on the productive economy, a theory so simple and basic that it escaped the technical sophistication of Western academics and apologists for a servile rentier economy.

I then saw all the political signs and began to explore overt political action again. During the Occupy movement, signs of financial stress had reached breaking points across the West. There was no longer any doubt that the so called information economy was a thin veil for a new level of detached, disintegrated rentier logic that pointed toward a return to outright fascism. I was struck by the work of Bo Xilai, a Chinese politician widely believed to be poised for the role of General Secretary. A kind of Chinese New Left Maoist, he appeared to be an explicit return to the Mao Zedong Thought I had studied.

But it was Xi Jinping who rose, someone I initially knew very little about. His early initiatives, especially the Belt and Road and the publication of his “On Governance” in English, quickly won me over. In his concise and sharp development of dialectical and historical materialism, I recognized the exact same language my father had taught me. The terms, the ideas, the concepts all felt familiar and comfortable for the first time in more than twenty years. Gone was the abstract ideological jargon. In its place was concrete, direct engagement similar to that of Marx, Engels, Lenin, Stalin, and Mao. From this basis I rediscovered the continuity of Marxism Leninism in the world. Around this time I first read all of Deng. That was another major moment of epiphany and insight, where every aspect of straightforward language and concrete focus on productive capacity came into focus.

The mid 2010s were another wild ride. My father had passed away and I no longer had any direct connection to my Marxist Leninist past. It was a time of deep isolation. I knew no one who shared my experience or worldview. All I could do was study current politics, do my best to engage with it, and return to

a consistent policy of identifying as a Marxist Leninist and searching for like-minded people. During the Bernie years, as the Clinton era machine ground to a halt, I realized that the populist tendencies of Americans provided the most promising basis for proto class consciousness.

I knew the American people had to reconnect with some form of proletarian identity, even though they had been objectively separated from it by decades of deindustrialization. I saw this contradiction in the combined populist uprising on both right and left, in both Sanders and Trump. Without the guidance of my father and his long dead Marxist Leninist friends, I had to grope around in the dark pursuing these instincts.

Signs pointed in many directions, including those who identified as Marxist Leninists. The CPUSA had rotted away, slowly degenerating under Sam Webb, who I knew had taken over after Hall died. He dragged the party into liquidationism, calling in 2013 for “Marxism” to be dropped from the label. In 2015 PCUSA split off, and I saw the principled arrival of many older comrades with whom I agreed geopolitically and on many issues. I considered joining PCUSA and was also invited into Red Star, a supposed Marxist Leninist faction inside the DSA in San Francisco. Neither felt right.

I went deep into online politics instead, learning about theory groups that met there. I encountered people like Ed Burg, Logo Daedalus, and others on the margins. In 2018 I first heard the name Infrared, but was puzzled by their obscurity. By 2019 it was clear Trumpism had failed and that the DNC was preparing yet another pendulum swing to crush any populist resurgence for the foreseeable future.

In this context I came across figures like Caleb Maupin and CPI, which I briefly joined. I became more familiar with Infrared in 2020, watching many of their long form video analyses and finding them intriguing. I was involved in the early “Dive with Jackson Hinkle” YouTube streams at the end of 2020, identifying Jackson as a like minded person. I saw the emergence of a real, grounded, and concrete tendency of Marxist Leninists whose attitude and worldview immediately reminded me of my father and his old comrades who had taught me. It was instantly apparent.

Jackson wore a DSA rose on his denim jacket. He had run twice for office in San Clemente and lost. He had seen firsthand the depravity of DNC progressivism and the complete failure of the squad. He was ready for a break.

I urged him to take the DSA rose off and read Lenin's "Imperialism." Jimmy Dore, another media figure I had identified and followed, had been reading it on his program. Jackson said after a super chat, "I will have to read that, Chris, it is on my list."

Haz Al Din went on a program in early 2021 to be interviewed. He was attacked by a viewer, and my immediate instinct was to defend him. He later announced he was starting a streaming program, which I have attended regularly to this day. I worked behind the scenes to bring all these elements together, Caleb, Jackson, Haz, Jimmy Dore, and Midwestern Marx, a great group of people whose media profiles were rising. RTSG emerged from the Infrared community. All these elements came together at different times, with Jackson one day miraculously appearing in the Infrared Discord. All kinds of connections were made, and the rest, as they say, is history. Some efforts did not pan out. Others produced massive dividends.

Throughout this entire period, objective material conditions produced the reawakening of an authentic Marxist Leninist tendency. All I did was keep returning to the teachings of my father and his cohort, the old lessons, the philosophy, and above all the mentality that created the conditions for political action and rebirth. As I age, these tendencies become all important.

They are an ontological mystery, but they are real. I could recognize the basis in the tradition without much difficulty, even when some of the new theory was eclectic, adding Heidegger, Land, Dugin, and Schmitt into Infrared's contribution. I had sensed rational kernels there over the years, but they had never been integrated. Midwestern Marx provided the solid grounding in the ML tradition, itself being influenced by older CPUSA voices who had long since dissented from the status quo.

In the late 1990s my theoretical understanding had already predicted that some people would, through the pathologies of Frankfurt, social democracy, democratic socialism, Trotskyism, and the myriad other deviations of Western Marxism, be forced to come home to roost. That the contradictions would push some to brave the swamp and extract the rational kernels needed to reconstitute Marxism Leninism as a cohesive, contentious theory. It is a path through the wasteland.

As the ACP formed and became the material realization of this lifelong theory, passed down to me via the first generation of American Stalinists, I rejoiced. It

felt like a miracle and a surreal event, but it only needed to survive my pessimism and doubt. The burden of carrying this weight has in many ways been lifted from me, and all I can honestly say is that I witnessed it and did what I could to encourage it in real time. It has been a life validating confirmation of the tenets of Marxism Leninism and of dialectical and historical materialism.

Now the road is difficult and full of turns, and the party struggles to discover what I have long known. This is the hardest path to walk. It is the culmination of the negation of American society and economy, the negation of the negation of decades of terrible liberalized Western Marxist theory and contemptuous academics and their perpetual war on proletarian consciousness. We face the reality of the entire establishment weaponized against us. I had often thought of telling this whole story to my new comrades, the isolation, the anger, the pure unadulterated hostility as the party confronts the contradictions of the American people, the total lack of support and the constant stabbing in the back by supposed socialists, Marxists, and communists and their organizations that lack the spirit and power of Marxism.

Yet all things are dialectical processes. My warnings about what is to come may have some tragic meaning, but they do not decide anything. Dialectics unfolds as part of the nature of the universe, and we have to pass through the storm in order to become who we are destined to be. The immortal science of Marxism Leninism is inevitable, and so is our victory.

Know only this, the last lesson I can pass on. There is continuity in the progress of history. Western Marxism is a demiurgical farce that preaches endless nominalism and discontinuity, and most Marxists you meet will be the opposite of what Marx intended. They carry out their class maintenance in subservience to rentier capital and financial oligarchy under Marx’s name. Be prepared for that, always look for continuity, and remember that contradictions are the very site of meaning. Your instincts are true. Trust them. America must be re-proletarianized, and you have a deep consciousness of that necessity.

Marx’s theory is a dialogue between exploitation and oppression, between productive and unproductive labor, and between labor and nature. It is not the one sided dogma that presents itself among its supposed followers, egged on by an intellectual elite that can only be described as the worst compradors of a completely unproductive economy, of fascism itself.

Socialism unfolds through a historical process, and this process is ultimately the mastery of production by human beings and the inevitable super abundance

that it produces, not a morality tale of wild eyed dreamers looking for validation of abstract liberalisms. It must be built brick by brick. Communism is a factory in the deepest sense, where all aspects of production are planned and guaranteed, where they become the basis of the ground we walk on, and where they wither away into second nature. It is our job to help humanity realize this freedom through necessity.

I will leave the Party with a saying my father always stressed. “Everything worth knowing is ultimately simple. You will know what is true out of the necessity of nature and labor. This is the good news.”

# 4

# Personal Stories from China's War on Poverty: Part One

Chet Ozmun and Aaron Wei[1]

## Translator's Introduction: The Samaritan and the Secretary

*By Chet Ozmun*

In his 1954 sermon "All Good Comes from God," Y.T. Wu—the founding leader of China's Three-Self Patriotic Movement—used Jesus's parable of the Good Samaritan to make a startling comparison. He reminded his readers that Jesus venerated those who performed good deeds, even if that person was a religious outsider. In the parable, esteemed religious figures ignore and walk past an injured man in need of help, but it is the despised Samaritan who stops to provide assistance. In Wu's analogy, the wounded traveler was China, broken by a century of humiliation and poverty. The religious men who passed

1. Aaron Wei grew up in Baini Village, Guangxi Province, and has worked as a factory worker and security officer, and is currently a small business owner. Chet Ozmun is a freelance translator who lives and works in Chicago, IL. He is a cadre in the Illinois chapter of the American Communist Party.

by were the Western missionaries and domestic Christian officials who had failed to lift the nation out of its suffering. And the Good Samaritan? For Wu, it was the Communist Party of China (CPC).[2]

*Pastor Wu in conversation with Mao Zedong*

As a Christian and a member of the American Communist Party, I find Wu's sermon more piercingly relevant than ever, especially in the life and work of individuals like the CPC Secretary from Guangxi Province Huang Wenxiu (1989-2019).

The depth of Secretary Huang's sacrifice is difficult to wrap one's mind around. As a graduate of Beijing Normal University, one of China's most elite institutions, she had numerous high-paying job offers that would have allowed her to stay in the capital. This path offered not only personal comfort but also the financial means to lift her own family out of their sub-par conditions in rural Guangxi. Instead, she chose to return to this very same region, embedding herself in Baini, one of the nation's poorest villages. She knew that to serve the

2. Merwin, Wallace C., and Francis P. Jones, eds. *Documents of the Three-Self Movement: Source Materials for the Study of the Protestant Church in Communist China*. New York: Far Eastern Office, Division of Foreign Missions, National Council of the Churches of Christ in the U.S.A., 1963.

people, she had to become one of them. When villagers initially distrusted her, she didn't retreat to her office; she took off her jacket, swept their courtyards, and returned again and again until their doors and hearts opened.

*Huang Wenxiu with local villagers*

She used her knowledge and big-city connections not for personal gain, but to establish e-commerce platforms for Baini Village's sugarcane and oranges, and to help the villagers secure the microloans and subsidies that would build a foundation for their own prosperity. She gave special attention to the "least of these," personally helping a family with a child with cerebral palsy navigate the bureaucracy to secure their social safety net support and a 5,000-yuan educational grant. For Luo Dongcheng, a man bankrupted by his father's cancer, she didn't just offer sympathy; she brought in technical experts, helped him secure a loan, and guided him in starting a rice noodle business and an oil press to create a sustainable livelihood.[3] This is the message of Christ in action: a self-emptying love that serves and uplifts in concrete ways.

Though an atheist and a CPC member, the way Secretary Huang lived out the message of the Gospel was more profound, impactful, real, and in line with Christ's teaching than most Christians here in the US (including, of course, myself). Tragically, Secretary Huang was killed in a flash flood in 2019 while serving on the frontlines of the war on poverty. Her incredible legacy is now renowned across China and is the subject of the television drama *Daughter of the Mountains*, which I had the privilege of translating in full for an English-speaking audience.

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3. 任仲文, ed. 时代楷模黄文秀 [*Role Model of the Times: Huang Wenxiu*]. 北京: 人民日报出版社 (People's Daily Press), 2019.

It was this translation work that inspired me to see Baini for myself, and which also led to my current project: translating *The Poverty Alleviation Diaries of Huang Wenxiu*, forthcoming from Midwestern Marx Publishing Press.[4] The personal account that follows my introduction was written by my travel guide and loyal friend, Aaron Wei, a Baini native whose story will also serve as a preface to the forthcoming book.

Gaining access to Baini was a challenge in itself. Aaron's uncle, Secretary Zhou, is the village's Party Secretary and the inspiration for the gruff but deeply protective Secretary Nong Zhanshan in the TV series. He was understandably suspicious of an American with a YouTube channel wanting to visit his village, suspecting I might even be a spy sent by the US government. On my first walk-through of Baini Village with Aaron, the Huang Wenxiu Memorial Museum and her former office were locked up tight. However, thanks to Aaron's persistent advocacy (showing his uncle my finished translation of *Daughter of the Mountains* and my work on the diaries) Secretary Zhou was finally persuaded. I was then given a personal tour by First Secretary Chen, the man who now holds Huang Wenxiu's former position.

4. For the Chinese edition currently in print see: 中国共产党百色市委员会宣传部, ed. 黄文秀扶贫日记 [The Poverty Alleviation Diaries of Huang Wenxiu]. 南宁: 广西科学技术出版社 (Guangxi Science and Technology Press), 2019.

When I later shared this story with Chinese friends from major urban centers more used to foreigners, they apologized profusely for the ”rude” treatment I had received from an “uneducated” rural secretary. I vigorously disagreed with that view. Why should Secretary Zhou have trusted a random American? As he correctly pointed out, Western media consistently lies about China. I was moved by his fierce protection of his village and his caution toward intruders. This was incredibly intelligent caution on his part. Any community would be honored to have such a great and discerning man as their leader.

But the point of all this isn’t some random travelogue. As our own country faces deepening poverty, debt, and political crisis, and our average life expectancy declines, I hope the story of Baini Village and Aaron’s personal experiences can offer not just inspiration, but practical lessons for Americans fighting to improve their own communities.

Aaron is a personal beneficiary of China’s war on poverty. His essay below (published here for the first time in either Chinese or English) offers a unique perspective on everything from rural development to his surprising experiences with rural China’s approaches to gun control, an insight we both felt would be particularly compelling for American readers, regardless of their personal opinions on the issue. His voice, and the story of his hometown, deserve to be heard.

## A Road Paved With Hope

I was born in Baini Village in 1999. The world that shaped my earliest memories, between roughly 2004 and 2009, is one that may be difficult for readers of this book (*The Poverty Alleviation Diaries*) to imagine. It was a world of mud roads, of simple homes made of tile and wood planks, and of a life dictated by the seasons of subsistence farming. My parents worked the land because they had no other choice; they couldn't leave my siblings and me to find work elsewhere. We had no salary, only what the earth gave us.

*The author as a child with his father*

Meat was a rare luxury. Our main source of protein came from my father's hunts in the mountains. I grew up eating things that might seem

strange—squirrels, wild birds, frogs, and even insects and snakes. In those days, nearly every family had a gun for hunting. The police knew, but they also knew the depth of our hardship, and so they looked the other way.

Then, everything changed. In the span of just over a decade, the world of my childhood vanished. The China that exists today, the Baini Village that exists today, is a place transformed. And the diaries you are about to read are the logbook of that transformation, written by one of its most important architects: Huang Wenxiu.

When Secretary Wenxiu arrived in our village in 2018, she was an outsider, a young woman from the city. But she did not act like one. She carried with her a plan, not just of policies, but of action. The changes she brought were not abstract; they were things we could see and feel every day.

The mud road I walked as a child is now a hardened, paved road. At night, our village is no longer dark; it is lit by streetlights. I know now, from the records she left behind, that she fought for the funds for those very lights, her heart aching after she saw an elderly man fall from his motorcycle on a dark, broken path. The infrastructure she helped build—paved roads for every village, internet access for our homes—was the foundation for everything that followed.

But her work went deeper. Poverty in Baini Village was a vicious cycle. For my family, and many others, the cost of education was a crushing burden. It is the reason I personally benefited from one of the policies she worked so tirelessly to implement. I was able to attend university because of an interest-free loan and an annual scholarship of 3,000 RMB. Her diary is filled with entries about the “Yulu Plan” (雨露计划), an education funding program she constantly pushed, chasing down paperwork and urging cadres to help students like me. She understood that education was our only path out.

Sickness was another trap. A single hospital stay could indebt a family for years. Today, every family in Baini is covered by medical insurance that reimburses 60-80% of all costs, turning a bill of 10,000 RMB into something a family can actually manage. Secretary Wenxiu’s diaries show this was a key part of her “Health Poverty Alleviation” work—ensuring that not a single person was left behind because they couldn’t afford to be healthy.

Perhaps most importantly, she brought us hope. She showed us that the government wasn't a distant authority, but a partner. Her message was simple:

if you are willing to work, we will support you. She cultivated “wealth-creation role models” and helped establish a mandarin orange industrial park, giving local farmers access to capital, technical guidance, and a real market. The old way of life—where a gun was a necessary tool for survival—faded away. As our lives improved, the police came and asked for the guns, and the families of Baini willingly turned them in. We no longer needed them.

I am 26 years old now. I have gone from a childhood with no meat to a life where I eat meat every day. I have a house. I walk on cement roads. It took my country just over a decade to make this happen. This incredible speed was not magical. It was the result of thousands of dedicated people like Huang Wenxiu, working day and night, far from the comforts of the city.

The pages that follow are more than just a diary. They are a record of the meticulous, often frustrating, day-to-day work required to transform a nation. They show the pressure Secretary Huang was under, the small victories that brought her joy, and the unyielding belief she held in a better future for us. She gave her youth, and ultimately her life, to pave a road of hope for Baini Village. It is my deepest wish that through her words, you will come to understand the profound legacy she left behind.

-Aaron Wei (韦乔隆): October 2025

EDITOR’S NOTE: *The Poverty Alleviation Diaries of Huang Wenxiu* are forthcoming from Midwestern Marx Publishing Press

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